

Downtown Retail Market Analysis

Elkhart, Indiana



Prepared For:
City of Elkhart

Prepared By:
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INTRODUCTION



***Figure 1:** The City of Elkhart has a vibrant and walkable downtown that has the potential to support a significant amount of additional retail and restaurant space.*

Executive Summary

This study finds that downtown Elkhart can presently support up to 80,000 additional square feet (sf) of retail and restaurant development, generating as much as \$28.5 million in new annual sales by 2025. This new commercial development could include 22 to 26 new retail stores totaling 55,000 sf and 12 to 14 new restaurants totaling 25,000 sf. The leading supportable retail and restaurant categories are general merchandise stores, full-service restaurants, limited-service eating places, apparel stores and gift stores.

Overall, residents, visitors and workers located in downtown Elkhart's primary trade area (Figure 4) spent \$955 million in combined restaurant and retail goods and services during the past year. Approximately 96 percent of this spending occurred via the internet or in shopping destinations outside of downtown Elkhart. GPG estimates that retail stores and restaurants within downtown Elkhart captured \$39 million in total sales over the past year.

Downtown Elkhart has an estimated 55 square mile primary trade area that includes 80,000 residents and 30,000 households with an average income of \$65,700 per year. Nearly 18 percent of the trade area's residents have a four-year college degree and 30.3 percent earn over \$75,000

per year. The median age in the primary trade area is 36.2 – 2.3 years younger than the state average.



Figure 2: Downtown Elkhart is in northeast Indiana, approximately 15 miles west of South Bend, 45 miles southwest of Kalamazoo and 60 miles northwest of Fort Wayne.

Background

Gibbs Planning Group, Inc. (GPG) has been retained by the City of Elkhart to conduct a retail feasibility analysis to determine how much additional retail and restaurant development (if any) is supportable within its downtown.

GPG addressed the following issues in this study:

- What is the existing and planned retail market for downtown Elkhart and surrounding areas?
- What are the potential trade areas for downtown Elkhart?
- What are the population, demographic and lifestyle characteristics of downtown Elkhart's trade areas currently and projected for 2025?

- What is the current and projected growth for retail expenditures in the area, now and in 2025?
- How much additional retail square footage is supportable in downtown Elkhart and what retailers may seek to deploy a new business there?
- What retail sales volumes can potentially be achieved in downtown Elkhart by these new businesses?



Figure 3: Map illustrating the geographic boundaries of downtown Elkhart.

Methodology

To address the above issues, GPG defined a trade area that would likely serve the existing and new retail development in downtown Elkhart based on geographic and topographic considerations, traffic access/flow in the area, relative retail strengths, concentrations of daytime employment and the retail gravitation in the market, as well as our experience defining trade areas for similar markets. Population, consumer expenditure and demographic characteristics of trade

area residents were collected by census tracts from the U.S. Bureau of the Census, U.S. Bureau of Labor Statistics and Environmental Systems Research Institute (ESRI).

Finally, based on the projected consumer expenditure capture (demand) in the primary trade area of the gross consumer expenditure by retail category, less the current existing retail sales (supply) by retail category, GPG projects the potential net consumer expenditure (gap) available to support existing and new commercial development. The projected net consumer expenditure capture is based on household expenditure and demographic characteristics of the trade areas, existing and planned retail competition, traffic and retail gravitational patterns and GPG's qualitative assessment of downtown Elkhart.

Net potential captured consumer expenditure (gap) is equated to potential retail development square footage, with the help of retail sales per square foot data provided by Dollars and Cents of Shopping Centers (Urban Land Institute and International Council of Shopping Centers), qualitatively adjusted to fit the urbanism and demographics of the study area.

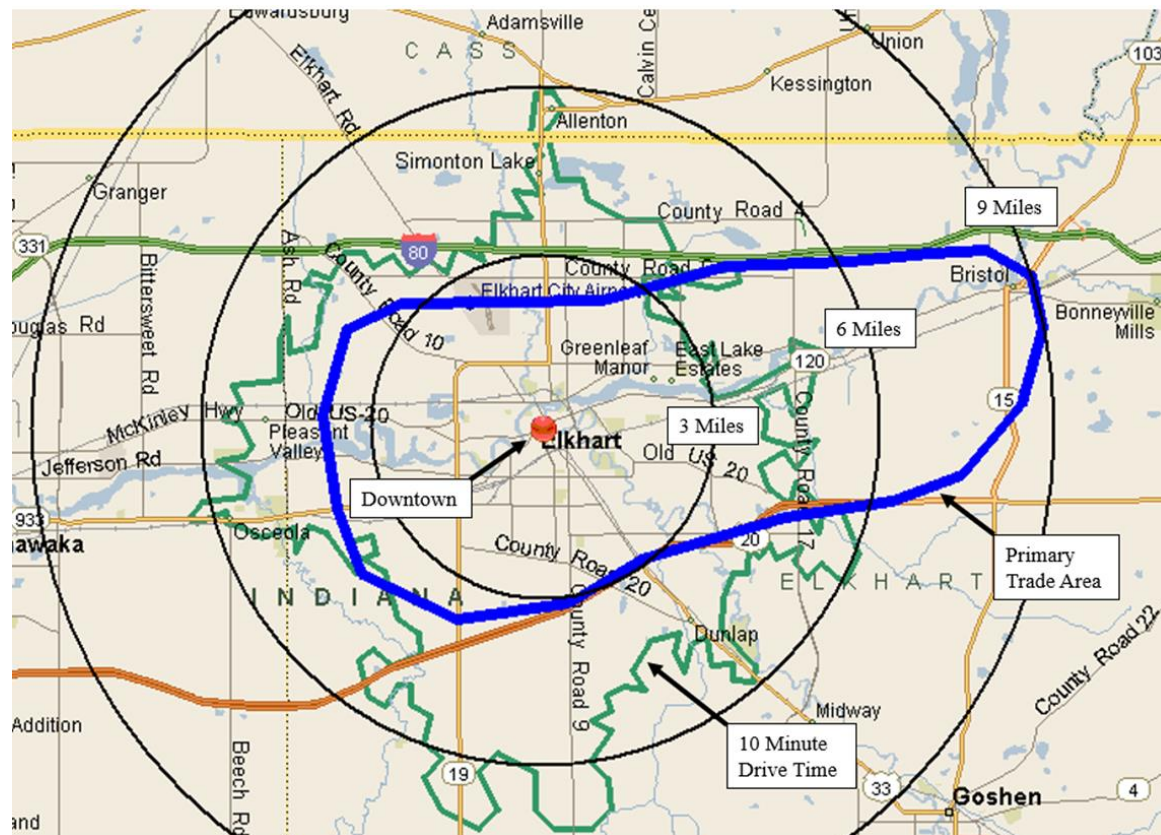


Figure 4: Downtown Elkhart's estimated primary trade area is shown above inside the blue line and the 10-minute drive time inside the green line

PRIMARY TRADE AREA

This study estimates a primary trade area for downtown Elkhart based on GPG's analysis of existing commercial centers, population clusters, employment, visitors, highway access and the retail gravitation in the market. Using data from ESRI and the U.S. Census Bureau, GPG obtained

the most recent population and demographic characteristics (2020) and those projected for 2025 for the primary trade area, 1-mile radius surrounding the downtown, City of Elkhart, Elkhart County and the State of Indiana.

The primary trade area is the consumer market where the city has a significant competitive advantage because of access, design, lack of quality competition and traffic and commute patterns. Downtown Elkhart's primary retail trade area includes 78,500 year-round residents and covers roughly 55 square miles of area. By 2025, the primary trade area's population is estimated to grow by 1,300 people, or 0.35 percent annually. This growth rate is lower than that for the City of Elkhart, County of Elkhart and State of Indiana. The number of households in the primary trade area will increase from 29,400 to 30,000 and will include an average of 2.64 people per household.

Downtown Elkhart's primary trade area's median household income is \$50,800 and is expected to increase to \$52,700 by 2025. Its average household income is \$65,700, with over 30 percent of households earning over \$75,000 per year – higher than that for the City of Elkhart, but lower than for Elkhart County and the State of Indiana. Over 17 percent of the trade area's residents over the age of 25 have earned a bachelor's degree or higher, which is a lower graduation rate than for the State of Indiana generally. Residents living in the primary trade area have a median age of 36.2, which is 2.3 years younger than the median age of the state.



Figure 5: Downtown Elkhart's streetscape is enhanced by several beautiful murals. Fine public art enlivens the downtown and reinforces it as a unique shopping destination.

Approximately 87.1 percent of the primary trade area homes are occupied, and the median home value is estimated to be \$125,100. Of all the primary trade area's housing units, 52.7 percent are owner-occupied, a number that has decreased 1.4 percent since 2010 and is expected to decrease to 52.0 percent by 2025. Renter-occupied households have increased from 33.1 percent in 2010 to 34.4 percent in 2020 and are expected to increase to 35.1 percent by 2025.

The primary trade area's current residential vacancy rate is 12.9 percent, a number that has increased 0.1 percent since 2010 and is projected to remain constant through 2025. The percentage of housing units valued at over \$250,000 is expected to increase from 12.8 percent to 18.6 percent – coinciding with an increase in the median home value to \$142,200 by 2025.

The following borders approximately delineate downtown Elkhart's primary trade area (See Figure 4):

- North – Elkhart City Airport, County Road 6 & County Road 104
- South – U.S. Highway 20
- East – Hinsdale Farm Drive & Colonial Ridge Drive
- West – Mishawaka Pilot's Club Airport & County Road

Figure 6: Elkhart Demographic Comparisons

| <i>Demographic Characteristics</i> | <i>Primary Trade Area</i> | <i>1-Mile Radius</i> | <i>City of Elkhart</i> | <i>Elkhart County</i> | <i>State of Indiana</i> |
|---|---------------------------|----------------------|------------------------|-----------------------|-------------------------|
| 2020 Population | 78,500 | 13,200 | 52,700 | 206,300 | 6,808,600 |
| 2025 Population | 79,800 | 13,700 | 53,700 | 210,900 | 6,982,300 |
| 2020-25 Projected Annual Growth Rate | 0.35% | 0.76% | 0.37% | 0.44% | 0.51% |
| 2020 Households | 29,400 | 5,000 | 20,000 | 73,700 | 2,641,700 |
| 2025 Households | 30,000 | 5,300 | 20,500 | 75,400 | 2,713,600 |
| 2020-2025 Projected Annual HH Growth Rate | 0.43% | 1.35% | 0.48% | 0.46% | 0.54% |
| Persons Per Household 2020 | 2.64 | 2.59 | 2.60 | 2.75 | 2.51 |
| Median Age | 36.2 | 33.2 | 35.1 | 36.2 | 38.5 |
| 2020 Median Household Income | \$50,800 | \$31,800 | \$45,800 | \$58,500 | \$56,000 |
| 2020 Average Household Income | \$65,700 | \$45,000 | \$59,700 | \$75,400 | \$74,700 |
| 2025 Median Household Income | \$52,700 | \$34,200 | \$48,300 | \$61,600 | \$59,800 |
| 2025 Average Household Income | \$70,700 | \$49,200 | \$63,500 | \$82,400 | \$82,200 |
| % Households w. incomes \$75,000+ | 30.3% | 17.5% | 26.1% | 37.4% | 37.0% |
| % Bachelor's Degree or higher | 17.6% | 10.3% | 15.7% | 20.7% | 27.6% |

Figure 6: This side-by-side table compares the primary trade area demographic statistics with those of the 1-mile radius surrounding downtown Elkhart, City of Elkhart, Elkhart County and the State of Indiana.

LIFESTYLE TAPESTRY DEMOGRAPHICS

As a part of this analysis, GPG has purchased third-party demographic research prepared by ESRI. The ESRI data includes tapestry lifestyles, which creates 65 classifications, or lifestyle segments, that help determine purchasing patterns. These segments are broken down to the U.S. Census Block Group level and used by many national retailers to help determine future potential locations. The most prevalent ESRI lifestyle groups in downtown Elkhart's primary trade area are Hardscrabble Road, Traditional Living, Midlife Constants, Middleburg and Down the Road

Hardscrabble Road: The primary trade area's most prominent lifestyle group is "*Hardscrabble Road*," which represent 19.7 percent of primary trade area households. These households primarily consist of either married couples with or without children, single parents or multigenerational households. Most *Hardscrabble Road* residents live in older single-family homes (which they rent) that were built before 1960.

Thirty-eight percent of this group only have high school diplomas, while 28 percent have completed either some college or an associate's degree. The unemployment rate for *Hardscrabble Road* residents is 11.2 percent, almost double the U.S. rate. Both their median household income (\$28,200) and median net worth (\$12,500) are considerably lower than the national figures, and almost 1 in 3 of these households have income below the poverty level. Members of this group work mainly in service, manufacturing and retail trade industries. Wages and salaries are the primary source of income for 70 percent of these households, while 12 percent of households receive Supplemental Security Income and 7 percent receive public assistance.

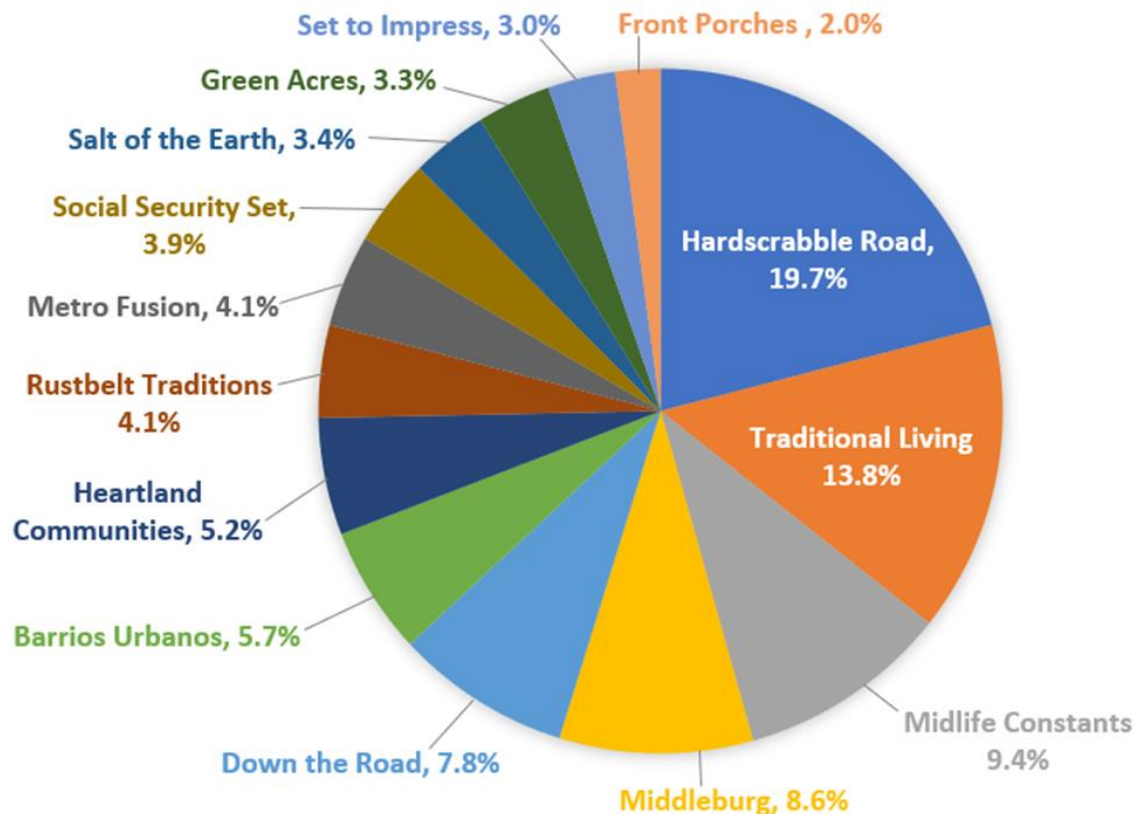


Figure 7: The relative proportions of the top Tapestry Lifestyle groups found in the primary trade area.

As consumers, these residents purchase sale items in bulk and buy generic over name brands. They favor shopping at their local discount store, and search for bargains on the Internet. Also, they tend to save money for a specific purpose.

Traditional Living: Roughly 4,100 (or 13.8 percent) of primary trade area households are classified as *Traditional Living*. These residents primarily live in single-family homes or duplexes in older neighborhoods, built before 1940. Most of these neighborhoods are located in lower-density urban clusters of metro areas throughout the Midwest and South. In terms of education, over 70 percent of this group have completed high school or some college. While their unemployment rate of 7.3 percent is higher than average, their labor force participation rate (at 63.4 percent) is also above the national rate. *Traditional Living* residents have a median

household income of \$39,300 and median net worth of \$33,900, both of which are below the national median figures. Almost three quarters of these households derive income from wages and salaries, augmented by Supplemental Security Income and public assistance. This group is composed of cost-conscious consumers that are comfortable with brand loyalty, unless the price is too high. They shop for groceries at discount stores such as Walmart Supercenters, and Target is also a favorite for apparel and sundry household and personal care products.

Midlife Constants: Approximately 9.4 percent (or 2,800) of primary trade area households are defined as *Midlife Constants*. These residents are primarily married couples, although this group has a growing share of singles. *Midlife Constant* residents live in older homes (built before 1980) that are in the suburban periphery of smaller metropolitan markets. Their neighborhoods exhibit a slow rate of change and most of the people in this group have lived in the same house for years. *Midlife Constants* residents have a \$53,200 median household income (which is slightly below the national average) and \$138,300 median net worth (significantly above the national average). As consumers, they are traditional rather than trendy; opting for convenience and comfort, not cutting edge. They are attentive to price, but not at the expense of quality. *Midlife Constants* consumers prefer to buy American and natural products. They also prefer practical vehicles like SUVs and trucks. Furthermore, while they believe technology has its uses, to them the bells and whistles are a bother.

Middleburg: Approximately 8.6 percent (or 2,500) of primary trade area households are defined as *Middleburg*. These households, which consist of young families, are located in semirural locales within metropolitan areas. Their neighborhoods have changed rapidly in the previous decade with the addition of new single-family homes. In terms of education, 65 percent of these residents have a high school diploma or some college education. Both their median household income (\$59,800) and median net worth (\$115,300) are above national figures. Nearly three-quarters of this group own their own homes, and the median value of their homes is \$175,000. *Middleburg* residents have traditional values and prefer to buy American and for a good price. Their favorite sports include hunting, fishing, bowling and baseball. They are partial to domestic vehicles; they like to drive trucks, SUVs or motorcycles. Their entertainment is primarily family-oriented (such as TV and movie rentals or theme parks and family restaurants) or home DIY projects. These consumers are comfortable with technology for convenience and entertainment.

Down the Road: Nearly 8 percent (or 2,300) of primary trade area households are classified as *Down the Road*. This is a family market, primarily composed of married couples or single-parent households. Close to half of all *Down the Road* households live in mobile homes, and about 32 percent of their homes are valued under \$50,000. Thirty six percent of them have only a high school diploma, while 41 percent have some college education or have a college degree. The unemployment rate for this group is 7.8 percent (higher than the US rate), and their labor force participation rate is 59.0 percent (slightly lower than the US rate). Furthermore, *Down the Road* residents have a median household income of \$38,700 and median net worth of \$40,700. As consumers, they prefer to buy American and for a good price. Their spending priorities focus on family (children's toys and apparel) or home DIY projects.

Figure 8: Downtown Elkhart Primary Trade Area Tapestry Lifestyles

| <i>Lifestyle Group</i> | <i>Downtown Elkhart Primary Trade Area Statistics</i> | <i>Lifestyle Summary</i> |
|--|--|---|
|  <p><i>Hardscrabble Road</i></p> | Households 5,800 Population 11,400 Median HH Income \$28,200 Household Percentage 19.7 % US Market Share 1.2 % | <p><i>Hardscrabble Road</i> neighborhoods are in urbanized areas within central cities, with older housing, located chiefly in the Midwest and South. Younger, highly diverse (with higher proportions of black, multiracial, and Hispanic populations), and less educated, this market works mainly in service, manufacturing, and retail trade industries. Unemployment is high (almost twice the US rate), and median household income is half the US median. Almost 1 in 3 households have income below the poverty level. This market is struggling to get by.</p> |
|  <p><i>Traditional Living</i></p> | Households 4,100 Population 7,700 Median HH Income \$39,300 Household Percentage 13.8 % US Market Share 1.9 % | <p>Residents in this segment live primarily in low-density, settled neighborhoods in the Midwest. The households are a mix of married-couple families and singles. Many families encompass two generations who have lived and worked in the community; their children are likely to follow suit. The manufacturing, retail trade, and health care sectors are the primary sources of employment for these residents. This is a younger market—beginning householders who are juggling the responsibilities of living on their own or a new marriage, while retaining their youthful interests in style and fun.</p> |
|  <p><i>Midlife Constants</i></p> | Households 2,800 Population 5,400 Median HH Income \$53,200 Household Percentage 9.4 % US Market Share 2.5 % | <p><i>Midlife Constants</i> residents are seniors, at or approaching retirement, with below average labor force participation and above average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. They are generous, but not spendthrifts.</p> |



| <i>Lifestyle Group</i> | <i>Downtown Elkhart Primary Trade Area Statistics</i> | <i>Lifestyle Summary</i> |
|--|--|---|
|  <p>Middleburg</p> | Households 2,500 Population 5,100 Median HH Income \$59,800 Household Percentage 8.6 % US Market Share 2.9 % | <p><i>Middleburg</i> neighborhoods transformed from the easy pace of country living to semirural subdivisions in the last decade, when the housing boom reached out. Residents are conservative, family-oriented consumers. Still more country than rock and roll, they are thrifty but willing to carry some debt and are already investing in their futures. They rely on their smartphones and mobile devices to stay in touch and pride themselves on their expertise. They prefer to buy American and travel in the US. This market is younger but growing in size and assets</p> |
|  <p>Down the Road</p> | Households 2,300 Population 4,500 Median HH Income \$38,700 Household Percentage 7.8 % US Market Share 1.2 % | <p>Down the Road is a mix of low-density, semirural neighborhoods in large metropolitan areas; half are located in the South, with the rest chiefly in the West and Midwest. Almost half of householders live in mobile homes; more than two-fifths live in single-family homes. These are younger, diverse communities, with the highest proportion of American Indians of any segment. These family-oriented consumers value their traditions. Workers are in service, retail trade, manufacturing, and construction industries, with higher proportions in agriculture and mining, compared to the US.</p> |

Figure 8: The top five Tapestry Lifestyle groups profiled above portray a diverse population, of primarily young families, with modest incomes.

EMPLOYMENT BASE

As shown in *Figure 10*, the manufacturing sector employs the single largest percentage (31.3 percent) of people in downtown Elkhart's primary trade area. This is largely due to the unusually high concentration of recreational vehicles and musical instrument manufacturers in the Elkhart area. In fact, more than 80 percent of the recreational vehicles sold in the United States are made in Elkhart County. Forest River, Thor Industries, Sun Valley and Dynamax Corporation are just a few of the RV industry leaders located in Elkhart. In terms of the music industry, Elkhart is home to Conn-Selmer (the country's largest maker of band and orchestral instruments), Gemeinhardt Musical Instruments (one of the music industry's largest manufacturers of flutes and piccolos) and the Walter Piano Company (a leading manufacturer of handmade pianos), among others.



Figure 9: Thor Industries (which makes RVs) and Conn-Selmer (which makes musical instruments) are two of the largest manufacturing companies in Elkhart.

The second leading category of employment in the primary trade area is the services sector, which accounts for 23.2 percent of employment within the primary trade area. Within this sector, the largest percent (9.0 percent of total employment in the primary trade area) work in Other Services, followed by 7.3 percent in Health Services and 3.9 percent in Education Institutions & Libraries.

Figure 10: Employment Comparison by Sector (SIC)

| <i>Employment Sector</i> | <i>Primary Trade Area</i> | <i>City of Elkhart</i> | <i>Elkhart County</i> | <i>State of Indiana</i> |
|----------------------------------|---------------------------|------------------------|-----------------------|-------------------------|
| Agriculture and Mining | 0.3% | 0.3% | 0.7% | 1.3% |
| Construction | 12.0% | 2.4% | 7.9% | 4.3% |
| Manufacturing | 31.3% | 31.1% | 28.9% | 13.4% |
| Transportation | 1.6% | 1.0% | 1.5% | 2.5% |
| Communication | 0.4% | 0.6% | 0.4% | 0.7% |
| Utility | 0.6% | 0.7% | 0.4% | 0.6% |
| Wholesale Trade | 7.3% | 7.5% | 5.8% | 4.6% |
| Retail Trade | 16.5% | 24.8% | 24.3% | 21.2% |
| Finance, Insurance & Real Estate | 2.7% | 2.9% | 2.6% | 5.6% |
| Services | 23.2% | 24.7% | 24.7% | 41.2% |
| Government | 2.5% | 2.4% | 1.9% | 4.2% |
| Unclassified | 1.6% | 1.7% | 0.9% | 0.5% |

Figure 10: Services and retail trade comprise the bulk of primary trade area employment.

Daytime employment plays a large role in supporting retail. The primary trade area is estimated to have 54,270 employees; an estimated 9,000 of them are office employees who are known to spend at much higher rates, often eating out for lunch and shopping on the way to and from work. The mix of employees throughout the ten-minute drive time varies from the primary trade area most noticeably in the manufacturing industry sector, with an additional 4,700 employees in the primary trade area compared to the primary trade area. Manufacturing, services and retail employ the most

people by industry inside the ten-minute drivetime with 12,300, 12,200 and 10,400 jobs, respectively. With nearly 46,000 workers within a ten-minute drive time, there is a large daytime consumer base close to downtown Elkhart.

Figure 11: Drive Time and Trade Area Employment by Industry Sector

| <i>Employment Sector</i> | <i>5-Minute Drive Time</i> | <i>10-Minute Drive Time</i> | <i>Primary Trade Area</i> |
|--|----------------------------|-----------------------------|---------------------------|
| Agriculture & Mining | 30 | 100 | 200 |
| Construction | 200 | 4,000 | 6,500 |
| Manufacturing | 1,600 | 12,300 | 17,000 |
| Transportation | 80 | 600 | 800 |
| Communication | 60 | 300 | 200 |
| Utility | 60 | 300 | 300 |
| Wholesale Trade | 500 | 2,800 | 4,000 |
| Retail Trade | 1,970 | 10,400 | 8,970 |
| Home Improvement | 200 | 1,000 | 1,700 |
| General Merchandise Stores | 80 | 1,200 | 800 |
| Food Stores | 400 | 1,300 | 1,000 |
| Auto Dealers, Gas Stations, Auto Aftermarket | 200 | 2,200 | 1,500 |
| Apparel & Accessory Stores | 30 | 100 | 70 |
| Furniture & Home Furnishings | 60 | 500 | 700 |
| Eating & Drinking Places | 800 | 3,000 | 2,300 |
| Miscellaneous Retail | 200 | 1,100 | 900 |
| Finance, Insurance & Real Estate | 540 | 1,300 | 1,400 |
| Banks, Savings, & Lending Institutions | 100 | 400 | 400 |
| Securities Brokers | 80 | 100 | 100 |
| Insurance Carriers & Agents | 60 | 200 | 200 |
| Real Estate, Holding, Other Investment Offices | 300 | 600 | 700 |
| Services | 5,110 | 12,200 | 12,700 |
| Hotels & Lodging | 30 | 300 | 100 |
| Automotive Services | 100 | 800 | 1,000 |
| Motion Pictures & Amusements | 80 | 300 | 400 |
| Health Services | 2,400 | 3,600 | 4,000 |
| Legal Services | 100 | 200 | 200 |
| Education Institutions & Libraries | 700 | 2,300 | 2,100 |
| Other Services | 1,700 | 4,700 | 4,900 |
| Government | 1,000 | 1,300 | 1,300 |
| Unclassified Establishments | 20 | 200 | 900 |
| Total Employment | 11,170 | 45,900 | 54,270 |

Figure 11: The downtown Elkhart primary trade area's employment by sector.

Consumer expenditure from daytime employment complements that captured in the evenings and on weekends by households in the trade area. “*Office Worker Retail Spending in a Digital Age*,” published by the International Council of Shopping Centers in 2012, provides insight into the

impact of office worker employment. Weekly office worker expenditure, adjusted for 2020 dollars, is estimated at \$180. Weekly non-office worker expenditure is estimated at 37 percent of office workers.

Non-office workers are estimated to have slightly less disposable income, to have multiple work locations including at home, and typically are on the road more during their work-week. Retail purchases (general merchandise, apparel, home furnishings, electronics, grocery and convenience items) make up most of the office worker dollars, at \$120 per week. Restaurant expenditures (full service, limited service and drinking places) account for the balance at \$40 per week. Annualized, each office worker expends \$9,400 before, during and after work.

Figure 12: Ten Minute Drive-Time Worker Expenditure

| <i>Category</i> | <i>Weekly Expenditure</i> | <i>Annual Expenditure</i> | <i>Office Worker Expenditure</i> | <i>Non-Office Worker Expenditure</i> | <i>Total Expenditure</i> |
|---|---------------------------|---------------------------|----------------------------------|--------------------------------------|--------------------------|
| Prepared Food & Beverage | | | | | |
| Limited & Full-Service Restaurants | \$40 | \$2,300 | \$16,560,000 | \$33,018,800 | \$49,578,800 |
| Drinking Places | \$20 | \$900 | \$6,480,000 | \$12,920,400 | \$19,400,400 |
| Retail Goods | | | | | |
| General Merchandise, Apparel, Home Furnishings, Electronics | \$70 | \$3,600 | \$25,920,000 | \$51,681,600 | \$77,601,600 |
| Grocery | \$30 | \$1,600 | \$11,520,000 | \$22,969,600 | \$34,489,600 |
| Convenience Items | \$20 | \$1,000 | \$7,200,000 | \$14,356,000 | \$21,556,000 |
| Total | \$180 | \$9,400 | \$67,680,000 | \$134,946,400 | \$202,626,400 |

Figure 12: Employees within ten minutes of the center of downtown Elkhart expend \$202.6 million dollars annually.

The annual impact of 45,900 workers within ten minutes of the center of downtown Elkhart is \$202.6 million. This expenditure breaks down to include \$69.0 million in prepared food and beverage establishments, \$34.5 million in grocery purchases, \$77.6 million in retail sales and \$21.6 million in convenience items.

DOWNTOWN ELKHART AREA CHARACTERISTICS

Location

Downtown Elkhart is in northeast Indiana, approximately 15 miles east of the City of South Bend, 10 miles northwest of the City of Goshen and 5 miles south of the Michigan-Indiana state line. The downtown encompasses roughly 0.18 square miles (or 118 acres) and extends north to West Sycamore Street and the St. Joseph River, east to the Elkhart River, west to 3rd Street and south to the Norfolk Southern Railway. It is also to the immediate south and east of Elkhart's Sherman neighborhood, east of the city's West Central neighborhood, north of Elkhart's Indiana and State-Division neighborhoods and west of the city's River District.

Although many local roads go through downtown Elkhart, its busiest thoroughfares are Main Street and Jackson Boulevard. Most of downtown Elkhart's shops and restaurants are located on Main Street (which runs north-south through the center of downtown), and Jackson Boulevard (which runs east-west through the middle of downtown) connects the area to the city's River District to the east across the Elkhart River. Besides using streets, residents and visitors can also travel around the downtown on its picturesque RiverWalk, which begins at City Center Park and stretches north along the Elkhart River. This downtown trail has enhanced an already walkable area. Indeed, downtown Elkhart is classified as "very walkable," as shown by its Walk Score of 80 (out of 100).

Lerner Theatre



Figure 13: *Downtown Elkhart's Lerner Theatre was officially listed on the National Register of Historic Places in 1980.*

Built in 1924, the historic Lerner Theatre is on Main Street in downtown Elkhart. It was designed in an Adamesque style by Chicago architect K.V. Vitthum with a classical façade that includes four two-story tall Ionic columns separated by three large arches, as well as palasters in a Renaissance Doric style. The theatre's stunning interior features ornate multi-colored inlaid marble floors, a large stage and proscenium arch decorated with gilded plasterwork, and a 2,000+ seat auditorium (with a beautiful domed ceiling and massive chandelier) that resembles a European opera house of the 19th century.

In its early days, the Lerner Theatre became known as a "theatrical palace" that featured big bands, vaudeville and first run movies. Its early live performers even included escape artist Harry Houdini, actress Eva Tanguay and band leader Paul Whiteman. The theatre was the focal point of downtown entertainment for nearly 50 years, and was officially listed on the National Register of Historic Places in 1980.

Although the Lerner Theatre fell into disrepair towards the end of the 20th century, it was restored to its 1920s splendor after undergoing \$18 million in renovations from 2009 to 2011. The theatre renovations also added a new and ornate Crystal Ballroom that hosts weddings, banquets and business conferences. In addition to the events at its Crystal Ballroom, this beautifully renovated venue draws in crowds from all over the region with year-round local and national musical, theatrical, educational and comedic performances.

Hotel Elkhart

The Hotel Elkhart, located downtown on Main Street, was originally built in 1923 and was the area's premier boutique hotel. During that time, it served as a hub for business leaders, travelers and some celebrities such as Ed Sullivan and Robert Kennedy. The building functioned as a hotel until the early 1970s and then was utilized as an office building and apartment complex.



Figure 14: The redeveloped Hotel Elkhart is scheduled to reopen in March 2021

Cressy Commercial Group is currently redeveloping the Hotel Elkhart, which will be a Hilton Hotel and member of its exclusive Tapestry Collection. The redeveloped Hotel Elkhart will offer 93 full-service guest rooms; the Elkhart Chocolate Café which will serve signature coffee, breakfast, lunch and South Bend Chocolate Company chocolates; and the Corner Bar which will offer high-end cocktails, small-plates and lite-fare dinner. Additionally, the newly redesigned Aria Ballroom and Prelude pre-function space on the 9th floor will accommodate larger groups such as weddings, corporate events and conferences. Also, the hotel will include The High Note rooftop bar, where guests can enjoy panoramic views of the downtown. The redeveloped Hotel Elkhart will retain several historical elements of the original building, such as the plaster ceilings in the lobby with their detailed relief moldings, the terrazzo floors on the first-floor lobby and food and beverage spaces, the ballroom ceilings and cornices, and the second-floor mezzanine windows.



Figure 15: The Midwest Museum of American Art has the country's largest public collection of hand-signed and numbered Norman Rockwell color lithographs, as well as the world's largest collection of Overbeck Art Pottery.

Midwest Museum of American Art

The Midwest Museum of American Art is located in the center of downtown Elkhart in a 25,000 sf renovated neo-classical style bank building. The museum's permanent collection of 19th and 20th

century American Art numbers over 6,000 works and includes selections of Abstract expressionism, American Impressionism, the Chicago Imagists, Overbeck art pottery, Pop art and Regionalism. In addition to the museum's large collection of hand-signed lithographs by the famous American illustrator Norman Rockwell, its collection includes works by Hans Hofmann, Edward Moran, Roger Brown, Grant Wood and Albert Blakelock, among many others. The Midwest Museum of American Art also hosts the annual Elkhart Juried Regional competition (now in its 42nd year), which is perhaps the most competitive juried art competition in the Michiana region.

Access

Downtown Elkhart is easily accessible from surrounding cities. The downtown can be reached from Goshen, which lies 10 miles to the southeast, via U.S. Route 33 (which becomes Main Street in downtown Elkhart). It is also easily accessible from the City of South Bend, which is 12 miles to the west, via Old U.S. 20 (which becomes West Lexington Avenue). Furthermore, traffic flows directly from Mishawaka into downtown Elkhart via Lincoln Way (which becomes West Franklin Street).

Figure 16: Traffic Counts

| <i>Road</i> | <i>AADT (Year)</i> |
|---|--------------------|
| North Main Street between Beardsley Avenue & West Sycamore Street | 14,400 (2019) |
| Main Street between Jackson Boulevard & Washington Street | 9,300 (2019) |
| South Main Street between Grass Street & Prairie Street | 9,300 (2018) |
| Jackson Boulevard between 3 rd Street & 2 nd Street | 8,000 (2020) |
| West Franklin Street between Oakland Avenue & Vistula Street | 7,900 (2019) |
| Jackson Boulevard between Elkhart Avenue & Prairie Street | 7,500 (2019) |
| Lexington Avenue between Riverside Drive & 6 th Street | 6,700 (2019) |
| 2 nd Street between Franklin Street & High Street | 6,600 (2020) |
| 3 rd Street between Lexington Avenue & High Street | 6,000 (2019) |
| Franklin Street between 3 rd Street & 2 nd Street | 4,600 (2020) |

Figure 16: The traffic chart above shows the heaviest traffic on Main Street, Jackson Boulevard and West Franklin Street (source: Michiana Area Council of Governments).

Figure 16 shows the thoroughfares within downtown Elkhart that have the highest traffic volumes: the main commuting routes of Main Street, Jackson Boulevard and West Franklin Street. Furthermore, there is a dense network of local roads surrounding downtown Elkhart that makes it easily accessible. In particular, significant traffic enters downtown Elkhart from the north via North Main Street, from the south via South Main Street, from the west via Lexington Avenue and West Franklin Street, and from the east via Jackson Boulevard.

General Retail Market Conditions

According to CoStar, downtown Elkhart has a total of 460,000 sf of retail space. The current retail vacancy rate is 0 percent, which has remained constant over the past year and is below the

downtown's 10-year historical average of 4.7 percent. The downtown's average retail market rent is \$8.56/sf, up from \$8.40/sf from one year ago. This 2 percent rent growth over the past year is higher than the downtown's 10-year historical average annual rent growth of 1.3 percent. No retail space was delivered over the past year, nor is any currently under construction. Furthermore, over the past year downtown Elkhart's retail properties sold for an average of \$71/sf and at an 9.0 percent cap rate.

COMPETING SHOPPING CENTERS

Figure 17: Elkhart/Goshen Area Competing Shopping Centers

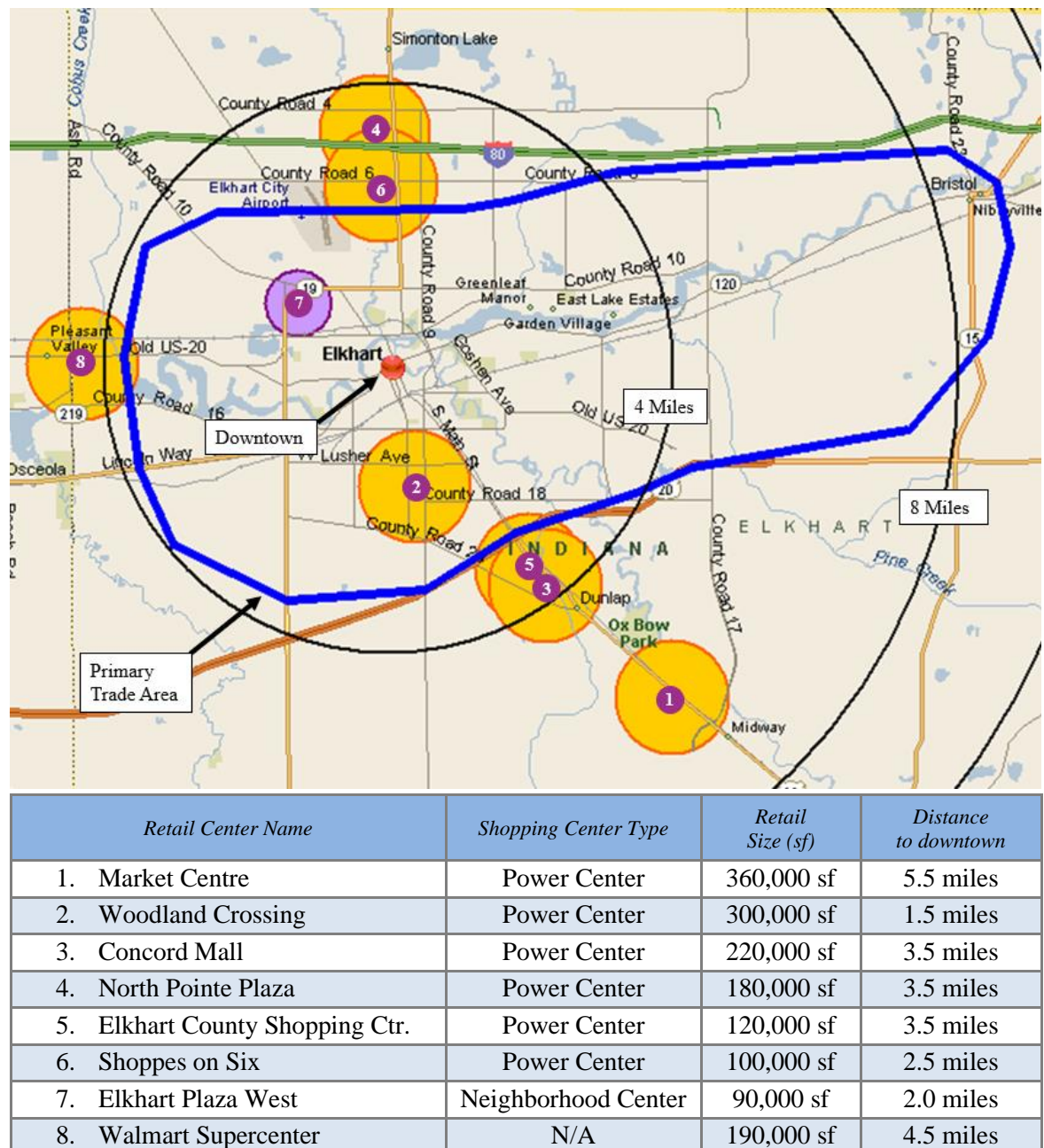


Figure 17: Map and Table of the competing shopping centers in the Elkhart/Goshen area.

1. Market Centre



Figure 18: Over 93 percent of the occupied square footage of Market Centre is leased to national or regional tenants.

Built in 1990, Market Centre is owned by Brixmor Property Group. It is located in the City of Goshen, 5.5 miles southeast of downtown Elkhart. Market Centre is a 360,000 sf power center with tenants including Walmart Supercenter, JoAnn Fabrics, Staples, Dollar Tree, Pet Supplies Plus, Chili's Grill & Bar, Once Upon A Child, OEC Super Buffet, Spencer's Gifts, Papa John's, Subway, Shoe Sensation, GNC and Panera Bread. In 2018, Sam's Club at Market Centre closed its doors. Although the former 105,000 sf Sam's Club building is currently vacant, it will soon be occupied by a 40,000 sf Burlington and 25,000 sf Ross Dress For Less.

2. Woodland Crossing

Built in 2006 on the site of the former Pierre Moran Mall, Woodland Crossing is a 300,000 sf power center. It is anchored by Kroger and Big Lots!, and also features CVS Pharmacy, Rent-A-Center, Cricket Wireless, Toke Smokes and Elkhart Diamonds & Gold. Woodland Crossing is currently 35 percent occupied. In particular, a 110,000 sf anchor spot, occupied by Sears until October 2017, sits vacant. Owned and managed by Southern Management and Development, Woodland Crossing is 1.5 miles south of downtown Elkhart.

3. Concord Mall

Developed in 1972 by Robert E. Fryling, Inc., Concord Mall was originally anchored by Montgomery Ward and Robertson's. For over four decades it was a regional shopping mall, with a GLA last year of 520,000 sf. However, early this year its inline tenants closed. Today, the only remaining tenants at the Concord Mall are its anchor tenants J.C. Penney, Hobby Lobby ABC Warehouse and Pippin Dental (an Indiana based family dentistry and orthodontic practice with 11 locations). Therefore, it is now a power center and features 220,000 sf of retail space. Since February 2020, Concord Mall has been managed by CapRock Real Estate and owned by one of its affiliates. It is located 3.5 miles southeast of downtown Elkhart.

4. North Pointe Plaza

Located just off the 80/90 Toll Road at SR 19, 3.5 miles north of downtown Elkhart, North Pointe Plaza is anchored by Stock+Field (formerly Big "R") and Planet Fitness. It is a 180,000 sf power center that was built in 1989. In addition to its anchor tenants, North Pointe Plaza is also home to

tenants that include Tradewinds Restaurants & Galley Sports Pub, Cali Nails, Heart City Nutrition, Big City Pizza and BLT Family Entertainment Center.



Figure 19: North Pointe Plaza is home to Elkhart's only Planet Fitness, which is the nation's fastest growing health club chain.

5. Elkhart County Shopping Center

Currently owned by STORE Capital Corporation, Elkhart County Shopping Center is directly north of the Concord Mall and 3.5 miles southeast of downtown Elkhart. It is a 120,000 sf power center that was built in 1969. Elkhart County Shopping Center's tenants are Stock+Field, Dollar General, Hotachi Sushi Buffet, Play It Again Sports and Taco Bell.

6. Shoppes on Six

Shoppes on Six is a 100,000 sf power center that is adjacent to Walmart Supercenter. Developed in 2015 by Thompson Thrift, its current tenants are Ross Dress For Less, PetSmart, Five Below, Shoe Carnival, rue21, Maurices, Mattress Firm, Christopher & Banks, Hibbett Sports, Noodles & Company, Penn Station East Coast Subs, Dunkin' Donuts and Qdoba. Shoppes on Six is owned by United Properties Corporation and is 2.5 miles north of downtown Elkhart.

7. Elkhart Plaza West



Figure 20: Elkhart Plaza West is anchored by Martin's Super Market, a regional grocer based in South Bend, Indiana that operates 21 locations throughout Indiana and Michigan.

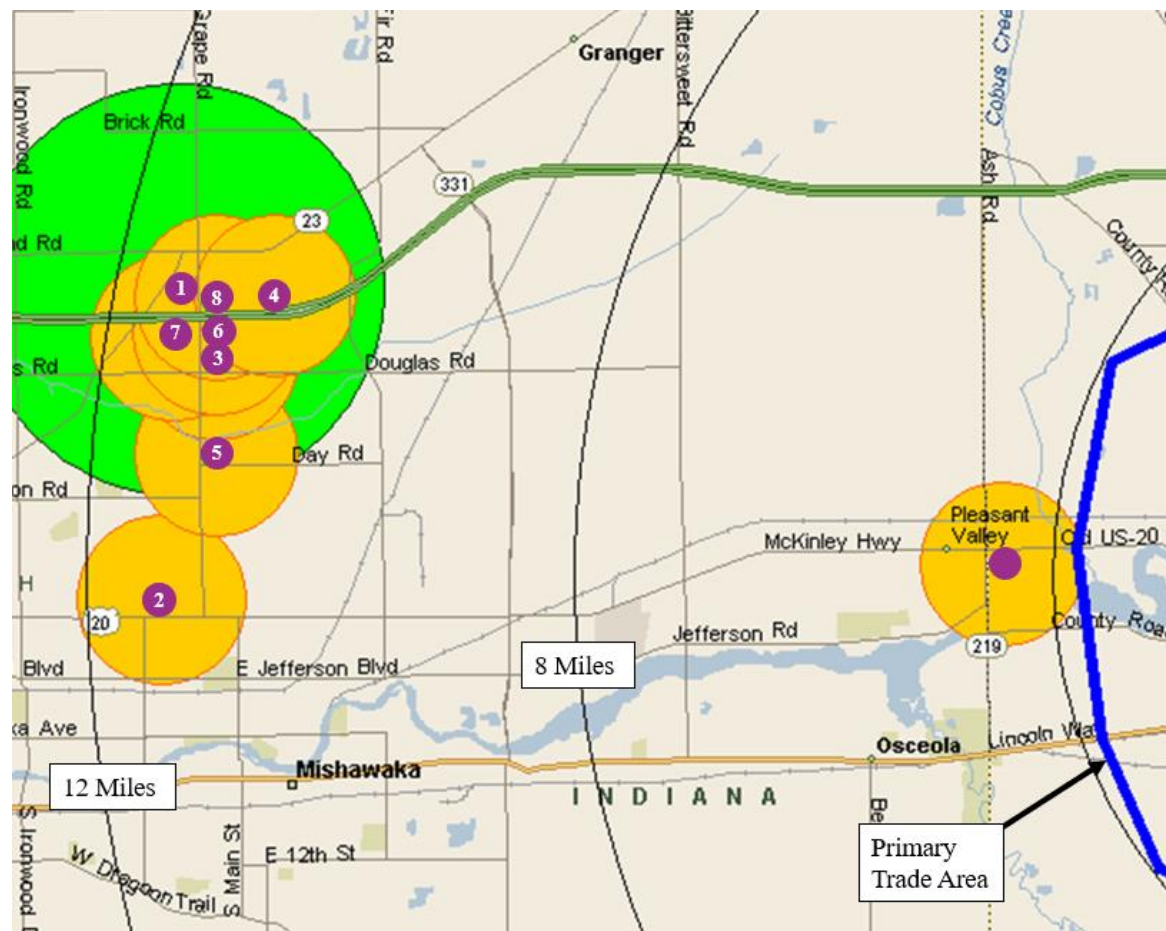
Elkhart Plaza West is a 90,000 sf neighborhood shopping center that was built in 1996. Martin's Super Market and CVS account for nearly 80 percent of its GLA, and the center is also occupied

by national tenants GNC, Great Clips, Subway and Starbucks. Elkhart Plaza West is owned by Mermelstein Development and is located 2 miles northwest of downtown Elkhart.

8. Walmart Supercenter

In addition to the above shopping centers, there is a stand-alone 190,000 sf Walmart Supercenter at 30830 Old U.S. 20, approximately 4.5 miles west of downtown Elkhart.

Figure 21: Mishawaka Area Competing Shopping Centers



| Retail Center Name | Shopping Center Type | Retail Size (sf) | Distance to downtown |
|---------------------------------|----------------------|------------------|----------------------|
| 1. University Park Mall | Regional Center | 920,000 sf | 11.0 miles |
| 2. Town & Country Shopping Ctr. | Power Center | 400,000 sf | 11.0 miles |
| 3. Wilshire Plaza | Community Center | 350,000 sf | 10.5 miles |
| 4. University Crossing | Power Center | 330,000 sf | 11.0 miles |
| 5. Princess City Plaza | Power Center | 300,000 sf | 11.0 miles |
| 6. Indian Ridge Plaza | Power Center | 300,000 sf | 11.0 miles |
| 7. The Crossings Mall | Power Center | 250,000 sf | 11.0 miles |
| 8. University Center | Community Center | 160,000 sf | 11.0 miles |

Figure 21: Map and Table of the competing shopping centers in the Elkhart/Goshen area.

1. University Park Mall



Figure 22: University Park Mall is home to one of the only two Apple stores in the entire State of Indiana.

Located in the City of Mishawaka, 11 miles northwest of downtown Elkhart, University Park Mall is a 920,000 sf regional shopping center. Developed in 1979 and currently owned by Simon Property Group, University Park Mall is anchored by Macy's, Barnes & Noble and JCPenney and also features over 130 specialty stores. Many well-known retailers have their only location in the area at the University Park Mall, such as ALDO, Banana Republic, Bath & Body Works, Coach, Express, Forever 21, LOFT, lululemon Pop-Up Shop, Sola Salon, Vans and Victoria's Secret. Furthermore, this center has a 500+ seat food court with nine eateries plus four sit-down restaurants including Bar Louie, Five Guys, Flat Top Grill and Granite City Food & Brewery. University Park Mall hosts year-round events programming including kid's events, fashion shows, the Annual Tree Lighting and Santa's Arrival.

2. Town & Country Shopping Center



Figure 23: Goldblatts Department Store, ready for its grand opening at Town & Country Shopping Center in August 1961 (left); Town & Country Shopping Center shown in 2019 (right)

In 1961, Town & Country Shopping Center became the first large outdoor shopping center in St. Joseph County. Today, it is a 400,000 sf power center with tenants such as Kroger, Dunham's Sports, World Gym, Mishawaka Furniture, Bargain Zone, Mega Play, Harbor Freight Tools, Citi Trends, Dollar General, Dollar Tree and Chuck E. Cheese. Also, Christ Child Society (a nonprofit that provides clothing to children from low-income families) moved into the Town & Country Shopping Center this summer. It is located 11 miles west of downtown Elkhart in the City of Mishawaka.

3. Wilshire Plaza

Wilshire Plaza is a 350,000 sf community shopping center that is owned and managed by Chase Properties. Built in 1988, today it is home to tenants including Burlington, Hobby Lobby, Sky Zone Trampoline Park, JOANN Fabrics, DSW, ULTA, Half Price Books, Helzberg Diamonds, Carter's, Christopher & Banks, OshKosh B'gosh and The Vitamin Shoppe. Currently, the Wilshire Plaza is 92 percent occupied. It is located 10.5 miles northwest of downtown Elkhart and less than one mile south of the University Park Mall.

4. University Crossing



Figure 24: Earlier this year, the 170,000 sf Super Target at University Crossing underwent a full-store remodel.

Situated in the City of Mishawaka, 11 miles from downtown Elkhart and just east of University Park Mall, University Crossing was built in 2006. It is a 330,000 sf power center with tenants such as Super Target, Marshalls, Dollar Tree, Dressbarn, Petco, Pier 1 Imports and Maurice's. Also it lies directly west of a 160,000 sf Costco. University Crossing is owned by IRC Retail Centers.

5. Princess City Plaza



Figure 25: Princess City Plaza is home to the only Whole Foods within 75 miles.

This power center, developed in 1997 by Cressy & Everett, is owned by Inland Real Estate Corporation. It features 300,000 sf and is home to tenants Dicks's Sporting Goods, PetSmart, Old Navy, Shoe Carnival, Kohl's, Whole Foods, Logan's Roadhouse, Carrabba's Italian Grill, Zoup!, Noodles & Company, Cici's Pizza and Hallmark. A 50,000 sf anchor space, which was occupied

by Gordman's until earlier this year, currently sits vacant. Princess City Plaza is in the City of Mishawaka, 1.5 miles south of University Park Mall and 11 miles west of downtown Elkhart.

6. Indian Ridge Plaza

Indian Ridge Plaza was built in 1987. Owned by Chase Properties, it is a 300,000 sf power center with tenants that include TJ Maxx, Bed Bath & Beyond, Ashley HomeStore, Kirkland's, Party City, Plato's Closet, Once Upon a Child, Hibachi Grill and Hacienda Mexican Restaurant. Indian Ridge Plaza is in the City of Mishawaka, 11 miles west of downtown Elkhart.

7. The Crossings Mall



Figure 26: Earlier this year, Ollie's Bargain Outlet moved into a building at The Crossings Mall that was occupied by Toys R' Us until 2018.

Located in the City of Mishawaka directly west of Indian Ridge Plaza, The Crossings Mall is a 250,000 sf power center featuring tenants The Great Escape, Value City Furniture, Christmas Tree Shops, Guitar Center and Ollie's Bargain Outlet. It was built in 1984 and is currently owned by the Schottenstein Property Group. The Crossings Mall is 11 miles west of downtown Elkhart.

8. University Center

University Center, situated in the City of Mishawaka just east of University Park Mall, is anchored by Best Buy, Ross Dress for Less and Michaels. Its also features other tenants such as David's Bridal, Five Below, Olive Garden, Long Horn Steakhouse and Pearle Vision. This 160,000 sf community shopping center was developed by DeBartolo Realty in 1980. Today it is owned by Washington Prime Group and is located 11 miles northwest of downtown Elkhart.

ANALYSIS ASSUMPTIONS

Gibbs Planning Group, Inc. has assumed the following factors in the completion of this commercial market analysis:

- No major regional retail centers will be developed within the defined downtown Elkhart primary trade area through 2025.
- Properties within downtown Elkhart will be properly zoned and have the necessary infrastructure to support new commercial development.

-
- Annual population growth for the primary trade area is estimated to be 0.35 percent from 2020 to 2025.
 - Any new commercial development in downtown Elkhart will be planned, designed, built and managed to the best practices of the American Institute of Architects, American Planning Association, American Society of Landscape Architects, Congress for New Urbanism, International Council of Shopping Centers and the ULI.



Figure 27: Main Street in downtown Elkhart looking south.

RETAIL & RESTAURANT DEMAND

This study estimates that an additional \$27.1 million in sales can currently be captured by downtown Elkhart retailers and restaurants, growing to \$28.5 million by 2025. If achieved, this growth could support 55,000 sf of new retailers and 25,000 sf of new restaurants, for a total of 80,000 sf. This growth could be absorbed with the opening of 34 - 40 new businesses or by existing stores and restaurants through expanded operations and marketing. If managed per industry best practices, these stores could generate above average sales of \$348 per square foot per year.

Downtown Elkhart can presently support additional stores that could generate up to \$18.6 million in new annual sales, growing to 19.5 million annually by 2025. The market can also support brew

pubs, full-service, limited-service and specialty food restaurants producing \$8.5 million in annual sales, growing to \$9.0 million annually by 2025.

Figure 28: Supportable Retail Table

| Retail Category | Total Demand | Est. Supp. SF | 2020 Sales/SF | 2020 Est. Retail Sales | 2025 Sales/SF | 2025 Est. Retail Sales |
|---|----------------------|------------------|------------------|---------------------------|------------------|---------------------------|
| Retailers | | | | | | |
| Apparel Stores | \$28,772,819 | 6,100 sf | \$310 | \$1,891,000 | \$325 | \$1,982,500 |
| Beer, Wine & Liquor Stores | \$17,258,285 | 3,100 sf | \$415 | \$1,286,500 | \$435 | \$1,348,500 |
| Book & Music Stores | \$9,296,512 | 3,500 sf | \$310 | \$1,085,000 | \$325 | \$1,137,500 |
| Department Store Merchandise | \$116,805,743 | 4,700 sf | \$320 | \$1,504,000 | \$335 | \$1,574,500 |
| Electronics & Appliance Stores | \$33,530,926 | 3,000 sf | \$340 | \$1,020,000 | \$355 | \$1,065,000 |
| Florists | \$4,712,455 | 1,100 sf | \$360 | \$396,000 | \$380 | \$418,000 |
| Furniture Stores | \$20,056,448 | 5,000 sf | \$285 | \$1,425,000 | \$300 | \$1,500,000 |
| General Merchandise Stores | \$47,927,882 | 9,700 sf | \$275 | \$2,667,500 | \$290 | \$2,813,000 |
| Jewelry Stores | \$10,687,217 | 1,600 sf | \$455 | \$728,000 | \$480 | \$768,000 |
| Lawn & Garden Supply Stores | \$5,632,491 | 2,100 sf | \$325 | \$682,500 | \$340 | \$714,000 |
| Gift Stores | \$16,842,597 | 5,800 sf | \$290 | \$1,682,000 | \$305 | \$1,769,000 |
| Pharmacy | \$57,368,438 | 4,900 sf | \$480 | \$2,352,000 | \$505 | \$2,474,500 |
| Shoe Stores | \$10,458,621 | 2,200 sf | \$365 | \$803,000 | \$385 | \$847,000 |
| Food: Cheese, Meats and Produce | \$12,193,485 | 2,900 sf | \$365 | \$1,058,500 | \$385 | \$1,116,500 |
| Retailer Totals | \$391,543,919 | 55,700 sf | \$350 | \$18,581,000 | \$368 | \$19,528,000 |
| Restaurants | | | | | | |
| Bars, Breweries & Pubs | \$16,966,387 | 5,800 sf | \$385 | \$2,233,000 | \$405 | \$2,349,000 |
| Full-Service Restaurants | \$50,315,828 | 7,400 sf | \$380 | \$2,812,000 | \$400 | \$2,960,000 |
| Limited-Service Eating Places | \$61,274,040 | 7,400 sf | \$290 | \$2,146,000 | \$305 | \$2,257,000 |
| Bakery, Coffee, Ice Cream, etc. | \$9,811,619 | 4,200 sf | \$315 | \$1,323,000 | \$330 | \$1,386,000 |
| Restaurant Totals | \$138,367,874 | 24,800 sf | \$343 | \$8,514,000 | \$360 | \$8,952,000 |
| Retailer & Restaurant Totals | \$529,911,793 | 80,500 sf | \$348 | \$27,095,000 | \$366 | \$28,480,000 |

Figure 28: Downtown Elkhart's estimated additional retail and restaurant demand (sales stated in constant 2020 dollars).

DEFINITIONS

Retail Category Definitions

Retail categories in the Supportable Retail Table correspond to the North American Industry Classification System (NAICS), the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The following NAICS codes and definitions are provided by the U.S. Census Bureau:

Retail

Auto Supply Stores (4411): establishments known as automotive supply stores primarily engaged in retailing new, used, and/or rebuilt automotive parts and accessories, automotive supply stores that are primarily engaged in both retailing automotive parts and accessories and repairing automobiles; establishments primarily engaged in retailing and installing automotive accessories; and establishments primarily engaged in retailing new and/or used tires and tubes or retailing new tires in combination with automotive repair services.

Furniture Stores (4421): establishments primarily engaged in retailing new furniture, such as household furniture (e.g., baby furniture box springs and mattresses) and outdoor furniture; office furniture (except those sold in combination with office supplies and equipment); and/or furniture sold in combination with major appliances, home electronics, home furnishings and/or floor coverings.

Home Furnishings Stores (4422): establishments primarily engaged in retailing new home furnishings (except furniture).

Electronics and Appliance Stores (4431): establishments primarily engaged in retailing the following new products: household-type appliances (refrigerator, dishwasher, oven), cameras, computers/software, televisions and other electronic goods.

Hardware Stores (4441): establishments primarily engaged in retailing new building materials and supplies (lumber, plumbing, electrical, tools, housewares, hardware, paint, and wallpaper).

Lawn and Garden Supply Stores (4442): establishments primarily engaged in retailing new lawn and garden equipment and supplies. (Nursery, farm and garden products, outdoor power equipment).

Grocery Stores (4451): establishments primarily engaged in retailing a general line of food products (canned/frozen food, fruits and vegetables, meat, fish, poultry, milk, bread, eggs, soda).

Specialty Food Stores (4452): establishments primarily engaged in retailing specialized lines of food (meat, fish/seafood, fruits/vegetables, baked goods, candy, nuts, confections, popcorn, ice cream, items not made on the premises).

Beer, Wine, and Liquor Stores (4453): establishments primarily engaged in retailing packaged alcoholic beverages, such as ale, beer, wine and liquor.

Health & Personal Care Stores (4461): establishments primarily engaged in retailing health and personal care products (pharmacies/drug stores, first aid, beauty products, household supplies, candy, prepackaged snacks, optical goods, vitamins/supplements).

Clothing stores (4481): men's and boys' clothing stores; women's and girls' clothing stores; children's and infants' clothing stores; family clothing stores; clothing accessories stores.

Shoe Stores (4482): Shoes (men's, women's, child/infant, athletic).

Jewelry Stores (4483): Jewelry, luggage, and leather goods (silverware, watches, clocks, handbags, briefcases, belts, gloves).

Sporting Goods Stores (4511): establishments primarily engaged in retailing new sporting goods (fitness equipment, bikes, camping, uniforms and footwear).

Book & Music Stores (4512): establishments primarily engaged in retailing new books, newspapers, magazines, and prerecorded audio and video media.

Department Stores (4521): establishments known as department stores primarily engaged in retailing a wide range of the following new products with no one merchandise line predominating: apparel; furniture; appliances and home furnishings; and selected additional items, such as paint, hardware, toiletries, cosmetics, photographic equipment, jewelry, toys and sporting goods. Merchandise lines are normally arranged in separate departments.

General Merchandise Stores (4529): establishments primarily engaged in retailing new goods in general merchandise stores (except department stores) (warehouse clubs, supercenters, apparel, auto parts, dry goods, hardware, groceries, housewares, no line predominating).

Florists (4531): establishments known as florists primarily engaged in retailing cut flowers, floral arrangements, and potted plants purchased from others. These establishments usually prepare the arrangements they sell.

Office Supplies & Gift Stores (4532): establishments primarily engaged in one or more of the following: (1) retailing new stationery, school supplies, and office supplies; (2) retailing a combination of new office equipment, furniture, and supplies; (3) retailing new office equipment, furniture, and supplies in combination with retailing new computers; and (4) retailing new gifts, novelty merchandise, souvenirs, greeting cards, seasonal and holiday decorations and curios.

Miscellaneous Retailers (4539): establishments primarily engaged in retailing new miscellaneous specialty store merchandise (except motor vehicle and parts dealers; furniture and home furnishings stores; consumer-type electronics and appliance stores; building material and garden equipment and supplies dealers; food and beverage stores; health and personal care stores; gasoline stations; clothing and clothing accessories stores; sporting goods, hobby, book, and music stores; general merchandise stores; florists; office

supplies, stationery, and gift stores; and used merchandise stores). Pet supplies, art dealers, manufactured home dealers, tobacco/cigar stores,

Restaurants

Full-Service Restaurants (7221): establishments primarily engaged in providing food services to patrons who order and are served while seated (i.e., waiter/waitress service) and pay after eating. Establishments that provide these types of food services to patrons with any combination of other services, such as carryout services are classified in this industry.

Limited-Service Restaurants (7222): establishments primarily engaged in providing food services where patrons generally order or select items and pay before eating. Most establishments do not have waiter/waitress service, but some provide limited service, such as cooking to order (i.e., per special request), bringing food to seated customers, or providing off-site delivery (cafeterias, snack/ juice bar, ice cream/soft serve shops, cookie shops, popcorn shops, donut shops, coffee shops, bagel shops).

Special Food Services (7223): establishments primarily engaged in providing one of the following food services (2) a location designated by the customer; or (3) from motorized vehicles or non-motorized carts.

- **Food Service Contractors:** Establishments may be engaged in providing food services at institutional, governmental, commercial, or industrial locations of others based (cafeteria, restaurant, and fast food eating-place) on contractual arrangements with these types of organizations for a specified period of time. Management staff is always provided by the food services contractor.
- **Caterers:** providing single event-based food services. These establishments generally have equipment and vehicles to transport meals and snacks to events and/or prepare food at an off-premise site. Banquet halls with catering staff are included in this industry. Examples of events catered by establishments in this industry are graduation parties, wedding receptions, business or retirement luncheons and trade shows.
- **Mobile Food Services:** establishments primarily engaged in preparing and serving meals and snacks for immediate consumption from motorized vehicles or non-motorized carts. The establishment is the central location from which the caterer route is serviced, not each vehicle, or cart. Included in this industry are establishments primarily engaged in providing food services from vehicles, such as hot dog carts and ice cream trucks.

Drinking Places (Alcoholic Beverages) (7224): establishments primarily engaged in preparing and serving alcoholic beverages for immediate consumption (bars, taverns, nightclubs).

Shopping Center Definitions

This study utilizes the shopping centers typologies defined by the International Council of Shopping Centers (ICSC) as follows:

- **Convenience Centers:** Convenience centers are 30,000 sf or less, unanchored, and generally will service a trade area of up to one mile. These centers include banking, carryout foods, florists, mail centers, small restaurants, small food markets, and professional services such as real estate and financial consulting. The centers typically include six to eight businesses.
- **Neighborhood Centers:** Neighborhood centers are anchored with a full-sized supermarket and typically range from 60,000 to 100,000 sf. They service a trade area of two to three miles and can include apparel, banks, carryout food, hardware, mail centers, restaurants, sporting goods and professional services such as financial consulting and real estate.
- **Community Centers:** Community centers typically range from 150,000 to 300,000 sf and are almost always anchored with a full-sized department store. They also include junior anchor retailers selling books, crafts, shoes, and sporting goods. Community centers often include large home improvement stores and medium-sized discount apparel stores. Their service area is typically five to seven miles in suburban locations.
- **Lifestyle Centers:** Lifestyle centers average 150,000 to 200,000 sf and feature popular apparel, book, and home furnishing stores, as well as cinemas and a wide selection of themed restaurants. The centers are frequently planned as walkable areas with main streets. Recently, lifestyle centers have included large anchors such as department stores, public libraries, and supermarkets. These centers typically have a trade area of four to six miles when developed in suburban settings. Lifestyle centers that include civic, employment, and residential buildings along with the retail land use are defined as ‘town centers.’
- **Regional Centers:** Regional centers average trade areas of eight to 12 miles and are anchored with multiple department stores. The centers can range from 800,000 to 1,500,000 sf, and often include cinemas along with 200,000 sf of national brand fashion.

LIMITS OF STUDY

The findings of this study represent GPG’s best estimates for the amounts and types of retailers and restaurants that may be reasonably supportable in downtown Elkhart. Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely

information possible and are believed to be reliable. Information discussed by individuals and in focus groups have not been independently verified by GPG.

This study is based on estimates, assumptions, and other information developed by GPG independent research, general knowledge of the industry, and consultations with the client and its representatives. This study is designed as objective third-party research and GPG does not recommend that any or all of the supportable retail be developed in downtown Elkhart. No responsibility is assumed for inaccuracies in reporting by the client, its agent and representatives or in any other data source used in preparing or presenting this study. This report is based on information that was current as of 14 October 2020 and GPG has not undertaken any update of its research effort since such date.

This report may contain prospective financial information, estimates, or opinions that represent GPG's view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. The actual amounts of supportable retail could be significantly higher or lower depending on multiple market and not market factors including the type, design and quality of the new development

Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by GPG that any of the projected values or results contained in this study will be achieved. This study should not be the sole basis for programming, planning, designing, financing, or development of any commercial center.

END OF STUDY

| Data for all businesses in area | | | | | |
|---|--|------------|---------|-----------|---------|
| Total Businesses: | | | | 3,166 | |
| Total Employees: | | | | 54,316 | |
| Total Residential Population: | | | | 78,458 | |
| Employee/Residential Population Ratio (per 100 Residents) | | | | 69 | |
| by SIC Codes | | Businesses | | Employees | |
| | | Number | Percent | Number | Percent |
| Agriculture & Mining | | 34 | 1.1% | 182 | 0.3% |
| Construction | | 146 | 4.6% | 6,543 | 12.0% |
| Manufacturing | | 331 | 10.5% | 17,019 | 31.3% |
| Transportation | | 96 | 3.0% | 845 | 1.6% |
| Communication | | 30 | 0.9% | 225 | 0.4% |
| Utility | | 8 | 0.3% | 349 | 0.6% |
| Wholesale Trade | | 205 | 6.5% | 3,952 | 7.3% |
| Retail Trade Summary | | 678 | 21.4% | 8,945 | 16.5% |
| Home Improvement | | 64 | 2.0% | 1,682 | 3.1% |
| General Merchandise Stores | | 43 | 1.4% | 813 | 1.5% |
| Food Stores | | 66 | 2.1% | 982 | 1.8% |
| Auto Dealers, Gas Stations, Auto Aftermarket | | 143 | 4.5% | 1,464 | 2.7% |
| Apparel & Accessory Stores | | 16 | 0.5% | 70 | 0.1% |
| Furniture & Home Furnishings | | 49 | 1.5% | 712 | 1.3% |
| Eating & Drinking Places | | 154 | 4.9% | 2,285 | 4.2% |
| Miscellaneous Retail | | 143 | 4.5% | 937 | 1.7% |
| Finance, Insurance, Real Estate Summary | | 284 | 9.0% | 1,443 | 2.7% |
| Banks, Savings & Lending Institutions | | 50 | 1.6% | 395 | 0.7% |
| Securities Brokers | | 44 | 1.4% | 137 | 0.3% |
| Insurance Carriers & Agents | | 58 | 1.8% | 177 | 0.3% |
| Real Estate, Holding, Other Investment Offices | | 133 | 4.2% | 734 | 1.4% |
| Services Summary | | 1,072 | 33.9% | 12,618 | 23.2% |
| Hotels & Lodging | | 15 | 0.5% | 132 | 0.2% |
| Automotive Services | | 133 | 4.2% | 954 | 1.8% |
| Motion Pictures & Amusements | | 66 | 2.1% | 359 | 0.7% |
| Health Services | | 147 | 4.6% | 3,966 | 7.3% |
| Legal Services | | 40 | 1.3% | 205 | 0.4% |
| Education Institutions & Libraries | | 50 | 1.6% | 2,110 | 3.9% |
| Other Services | | 621 | 19.6% | 4,894 | 9.0% |
| Government | | 88 | 2.8% | 1,331 | 2.5% |
| Undersified Establishments | | 194 | 6.1% | 863 | 1.6% |
| Totals | | 3,166 | 100.0% | 54,316 | 100.0% |

Source: Copyright 2020 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2020.

Date Note: Data on the Business Summary report is calculated **Esri's Data allocation** which uses census block groups to allocate business summary data to custom areas.

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| by NAICS Codes | Businesses | | Employees | |
|--|------------|---------|-----------|---------|
| | Number | Percent | Number | Percent |
| Agriculture, Forestry, Fishing & Hunting | 4 | 0.1% | 8 | 0.0% |
| Mining | 1 | 0.0% | 5 | 0.0% |
| Utilities | 3 | 0.1% | 127 | 0.2% |
| Construction | 153 | 4.8% | 6,603 | 12.2% |
| Manufacturing | 349 | 11.0% | 17,049 | 31.4% |
| Wholesale Trade | 203 | 6.4% | 4,014 | 7.4% |
| Retail Trade | 510 | 16.1% | 6,434 | 11.8% |
| Motor Vehicle & Parts Dealers | 120 | 3.8% | 1,337 | 2.5% |
| Furniture & Home Furnishings Stores | 21 | 0.7% | 257 | 0.5% |
| Electronics & Appliance Stores | 16 | 0.5% | 147 | 0.3% |
| Bldg Material & Garden Equipment & Supplies Dealers | 50 | 1.6% | 1,281 | 2.4% |
| Food & Beverage Stores | 62 | 2.0% | 972 | 1.8% |
| Health & Personal Care Stores | 35 | 1.1% | 229 | 0.4% |
| Gasoline Stations | 23 | 0.7% | 127 | 0.2% |
| Clothing & Clothing Accessories Stores | 23 | 0.7% | 116 | 0.2% |
| Sport Goods, Hobby, Book, & Music Stores | 19 | 0.6% | 313 | 0.6% |
| General Merchandise Stores | 43 | 1.4% | 813 | 1.5% |
| Miscellaneous Store Retailers | 75 | 2.4% | 809 | 1.5% |
| Nonstore Retailers | 23 | 0.7% | 33 | 0.1% |
| Transportation & Warehousing | 74 | 2.3% | 793 | 1.5% |
| Information | 48 | 1.5% | 573 | 1.1% |
| Finance & Insurance | 153 | 4.8% | 715 | 1.3% |
| Central Bank/Credit Intermediation & Related Activities | 51 | 1.6% | 397 | 0.7% |
| Securities, Commodity Contracts & Other Financial | 45 | 1.4% | 141 | 0.3% |
| Insurance Carriers & Related Activities; Funds, Trusts & | 58 | 1.8% | 177 | 0.3% |
| Real Estate, Rental & Leasing | 173 | 5.5% | 859 | 1.6% |
| Professional, Scientific & Tech Services | 213 | 6.7% | 1,390 | 2.6% |
| Legal Services | 43 | 1.4% | 263 | 0.5% |
| Management of Companies & Enterprises | 6 | 0.2% | 13 | 0.0% |
| Administrative & Support & Waste Management & | 96 | 3.0% | 718 | 1.3% |
| Educational Services | 56 | 1.8% | 2,122 | 3.9% |
| Health Care & Social Assistance | 208 | 6.6% | 5,036 | 9.3% |
| Arts, Entertainment & Recreation | 53 | 1.7% | 356 | 0.7% |
| Accommodation & Food Services | 171 | 5.4% | 2,432 | 4.5% |
| Accommodation | 15 | 0.5% | 132 | 0.2% |
| Food Services & Drinking Places | 156 | 4.9% | 2,300 | 4.2% |
| Other Services (except Public Administration) | 407 | 12.9% | 2,874 | 5.3% |
| Automotive Repair & Maintenance | 109 | 3.4% | 752 | 1.4% |
| Public Administration | 88 | 2.8% | 1,331 | 2.5% |
| Unclassified Establishments | 194 | 6.1% | 863 | 1.6% |
| Total | 3,166 | 100.0% | 54,316 | 100.0% |

Source: Copyright 2020 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2020.
Date Note: Data on the Business Summary report is calculated

Esri's Data allocation

which uses census block groups to allocate business summary data to custom areas.

Appendix B1: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| | |
|--------------------------------|-----------|
| Population Summary | |
| 2000 Total Population | 77,039 |
| 2010 Total Population | 76,799 |
| 2020 Total Population | 78,458 |
| 2020 Group Quarters | 902 |
| 2025 Total Population | 79,842 |
| 2020-2025 Annual Rate | 0.35% |
| 2020 Total Daytime Population | 88,005 |
| Workers | 43,711 |
| Residents | 44,294 |
| Household Summary | |
| 2000 Households | 29,140 |
| 2000 Average Household Size | 2.61 |
| 2010 Households | 28,692 |
| 2010 Average Household Size | 2.64 |
| 2020 Households | 29,367 |
| 2020 Average Household Size | 2.64 |
| 2025 Households | 30,003 |
| 2025 Average Household Size | 2.63 |
| 2020-2025 Annual Rate | 0.43% |
| 2010 Families | 19,150 |
| 2010 Average Family Size | 3.19 |
| 2020 Families | 19,231 |
| 2020 Average Family Size | 3.20 |
| 2025 Families | 19,500 |
| 2025 Average Family Size | 3.19 |
| 2020-2025 Annual Rate | 0.28% |
| Housing Unit Summary | |
| 2000 Housing Units | 31,222 |
| Owner Occupied Housing Units | 60.3% |
| Renter Occupied Housing Units | 33.1% |
| Vacant Housing Units | 6.7% |
| 2010 Housing Units | 32,900 |
| Owner Occupied Housing Units | 54.1% |
| Renter Occupied Housing Units | 33.1% |
| Vacant Housing Units | 12.8% |
| 2020 Housing Units | 33,699 |
| Owner Occupied Housing Units | 52.7% |
| Renter Occupied Housing Units | 34.4% |
| Vacant Housing Units | 12.9% |
| 2025 Housing Units | 34,453 |
| Owner Occupied Housing Units | 52.0% |
| Renter Occupied Housing Units | 35.1% |
| Vacant Housing Units | 12.9% |
| Median Household Income | |
| 2020 | \$50,772 |
| 2025 | \$52,691 |
| Median Home Value | |
| 2020 | \$125,137 |
| 2025 | \$142,242 |
| Per Capita Income | |
| 2020 | \$24,581 |
| 2025 | \$26,573 |
| Median Age | |
| 2010 | 34.8 |
| 2020 | 36.2 |
| 2025 | 36.7 |

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

Appendix B2: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| | |
|---|-----------|
| 2020 Households by Income | |
| Household Income Base | 29,367 |
| <\$15,000 | 10.5% |
| \$15,000 - \$24,999 | 13.3% |
| \$25,000 - \$34,999 | 9.9% |
| \$35,000 - \$49,999 | 15.3% |
| \$50,000 - \$74,999 | 20.6% |
| \$75,000 - \$99,999 | 13.4% |
| \$100,000 - \$149,999 | 10.6% |
| \$150,000 - \$199,999 | 3.6% |
| \$200,000+ | 2.7% |
| Average Household Income | \$65,671 |
| 2025 Households by Income | |
| Household Income Base | 30,003 |
| <\$15,000 | 9.5% |
| \$15,000 - \$24,999 | 12.6% |
| \$25,000 - \$34,999 | 9.6% |
| \$35,000 - \$49,999 | 14.9% |
| \$50,000 - \$74,999 | 21.0% |
| \$75,000 - \$99,999 | 14.0% |
| \$100,000 - \$149,999 | 11.4% |
| \$150,000 - \$199,999 | 4.0% |
| \$200,000+ | 2.9% |
| Average Household Income | \$70,730 |
| 2020 Owner Occupied Housing Units by Value | |
| Total | 17,770 |
| <\$50,000 | 8.9% |
| \$50,000 - \$99,999 | 27.7% |
| \$100,000 - \$149,999 | 26.7% |
| \$150,000 - \$199,999 | 16.7% |
| \$200,000 - \$249,999 | 7.3% |
| \$250,000 - \$299,999 | 4.2% |
| \$300,000 - \$399,999 | 4.2% |
| \$400,000 - \$499,999 | 1.2% |
| \$500,000 - \$749,999 | 2.1% |
| \$750,000 - \$999,999 | 0.8% |
| \$1,000,000 - \$1,499,999 | 0.1% |
| \$1,500,000 - \$1,999,999 | 0.0% |
| \$2,000,000 + | 0.2% |
| Average Home Value | \$159,454 |
| 2025 Owner Occupied Housing Units by Value | |
| Total | 17,918 |
| <\$50,000 | 7.0% |
| \$50,000 - \$99,999 | 22.7% |
| \$100,000 - \$149,999 | 24.0% |
| \$150,000 - \$199,999 | 18.9% |
| \$200,000 - \$249,999 | 8.9% |
| \$250,000 - \$299,999 | 5.3% |
| \$300,000 - \$399,999 | 6.0% |
| \$400,000 - \$499,999 | 2.0% |
| \$500,000 - \$749,999 | 3.5% |
| \$750,000 - \$999,999 | 1.3% |
| \$1,000,000 - \$1,499,999 | 0.1% |
| \$1,500,000 - \$1,999,999 | 0.1% |
| \$2,000,000 + | 0.3% |
| Average Home Value | \$188,563 |

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

Appendix B3: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| 2010 Population by Age | |
|------------------------|--------|
| Total | 76,798 |
| 0 - 4 | 8.5% |
| 5 - 9 | 7.8% |
| 10 - 14 | 7.5% |
| 15 - 24 | 13.0% |
| 25 - 34 | 13.4% |
| 35 - 44 | 13.2% |
| 45 - 54 | 13.4% |
| 55 - 64 | 11.2% |
| 65 - 74 | 6.4% |
| 75 - 84 | 3.9% |
| 85 + | 1.7% |
| 18 + | 71.9% |
| 2020 Population by Age | |
| Total | 78,457 |
| 0 - 4 | 7.7% |
| 5 - 9 | 7.3% |
| 10 - 14 | 7.1% |
| 15 - 24 | 12.8% |
| 25 - 34 | 13.6% |
| 35 - 44 | 12.4% |
| 45 - 54 | 12.0% |
| 55 - 64 | 12.0% |
| 65 - 74 | 9.0% |
| 75 - 84 | 4.3% |
| 85 + | 1.8% |
| 18 + | 74.0% |
| 2025 Population by Age | |
| Total | 79,843 |
| 0 - 4 | 7.6% |
| 5 - 9 | 7.2% |
| 10 - 14 | 7.1% |
| 15 - 24 | 12.5% |
| 25 - 34 | 13.4% |
| 35 - 44 | 12.3% |
| 45 - 54 | 11.4% |
| 55 - 64 | 11.6% |
| 65 - 74 | 9.7% |
| 75 - 84 | 5.3% |
| 85 + | 1.8% |
| 18 + | 74.0% |
| 2010 Population by Sex | |
| Males | 37,365 |
| Females | 39,434 |
| 2020 Population by Sex | |
| Males | 38,317 |
| Females | 40,141 |
| 2025 Population by Sex | |
| Males | 39,057 |
| Females | 40,786 |

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

Appendix B4: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| | |
|---|--------|
| 2010 Population by Race/Ethnicity | |
| Total | 76,800 |
| White Alone | 73.6% |
| Black Alone | 11.3% |
| American Indian Alone | 0.5% |
| Asian Alone | 1.0% |
| Pacific Islander Alone | 0.1% |
| Some Other Race Alone | 10.1% |
| Two or More Races | 3.5% |
| Hispanic Origin | 17.8% |
| Diversity Index | 60.8 |
| 2020 Population by Race/Ethnicity | |
| Total | 78,457 |
| White Alone | 70.3% |
| Black Alone | 11.7% |
| American Indian Alone | 0.5% |
| Asian Alone | 1.1% |
| Pacific Islander Alone | 0.1% |
| Some Other Race Alone | 11.9% |
| Two or More Races | 4.4% |
| Hispanic Origin | 21.2% |
| Diversity Index | 66.2 |
| 2025 Population by Race/Ethnicity | |
| Total | 79,843 |
| White Alone | 68.5% |
| Black Alone | 11.8% |
| American Indian Alone | 0.5% |
| Asian Alone | 1.2% |
| Pacific Islander Alone | 0.1% |
| Some Other Race Alone | 13.0% |
| Two or More Races | 4.9% |
| Hispanic Origin | 23.4% |
| Diversity Index | 69.0 |
| 2010 Population by Relationship and Household Type | |
| Total | 76,799 |
| In Households | 98.8% |
| In Family Households | 83.2% |
| Householder | 24.9% |
| Spouse | 16.6% |
| Child | 33.6% |
| Other relative | 4.4% |
| Nonrelative | 3.7% |
| In Nonfamily Households | 15.6% |
| In Group Quarters | 1.2% |
| Institutionalized Population | 0.8% |
| Noninstitutionalized Population | 0.4% |

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

Appendix B5: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| | |
|--|--------|
| 2020 Population 25+ by Educational Attainment | |
| Total | 51,041 |
| Less than 9th Grade | 6.9% |
| 9th - 12th Grade, No Diploma | 12.1% |
| High School Graduate | 29.8% |
| GED/Alternative Credential | 6.3% |
| Some College, No Degree | 19.8% |
| Associate Degree | 7.4% |
| Bachelor's Degree | 11.7% |
| Graduate/Professional Degree | 5.9% |
| 2020 Population 15+ by Marital Status | |
| Total | 61,111 |
| Never Married | 32.9% |
| Married | 47.0% |
| Widowed | 6.1% |
| Divorced | 14.0% |
| 2020 Civilian Population 16+ in Labor Force | |
| Civilian Population 16+ | 40,270 |
| Population 16+ Employed | 85.5% |
| Population 16+ Unemployment rate | 14.5% |
| Population 16-24 Employed | 13.6% |
| Population 16-24 Unemployment rate | 25.8% |
| Population 25-54 Employed | 62.4% |
| Population 25-54 Unemployment rate | 12.6% |
| Population 55-64 Employed | 16.5% |
| Population 55-64 Unemployment rate | 11.3% |
| Population 65+ Employed | 7.5% |
| Population 65+ Unemployment rate | 13.7% |
| 2020 Employed Population 16+ by Industry | |
| Total | 34,429 |
| Agriculture/Mining | 0.3% |
| Construction | 3.7% |
| Manufacturing | 42.3% |
| Wholesale Trade | 2.5% |
| Retail Trade | 8.7% |
| Transportation/Utilities | 4.7% |
| Information | 0.7% |
| Finance/Insurance/Real Estate | 3.0% |
| Services | 31.9% |
| Public Administration | 2.1% |
| 2020 Employed Population 16+ by Occupation | |
| Total | 34,429 |
| White Collar | 44.0% |
| Management/Business/Financial | 9.5% |
| Professional | 13.8% |
| Sales | 7.6% |
| Administrative Support | 13.1% |
| Services | 13.0% |
| Blue Collar | 43.0% |
| Farming/Forestry/Fishing | 0.0% |
| Construction/Extraction | 3.8% |
| Installation/Maintenance/Repair | 3.8% |
| Production | 24.8% |
| Transportation/Material Moving | 10.6% |

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

Appendix B6: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| | |
|--|--------|
| 2010 Households by Type | |
| Total | 28,692 |
| Households with 1 Person | 26.7% |
| Households with 2+ People | 73.3% |
| Family Households | 66.7% |
| Husband-wife Families | 44.4% |
| With Related Children | 20.0% |
| Other Family (No Spouse Present) | 22.3% |
| Other Family with Male Householder | 6.2% |
| With Related Children | 4.1% |
| Other Family with Female Householder | 16.1% |
| With Related Children | 11.8% |
| Nonfamily Households | 6.5% |
| All Households with Children | 36.8% |
| Multigenerational Households | 4.7% |
| Unmarried Partner Households | 9.1% |
| Male-female | 8.5% |
| Same-sex | 0.6% |
| 2010 Households by Size | |
| Total | 28,692 |
| 1 Person Household | 26.7% |
| 2 Person Household | 31.6% |
| 3 Person Household | 15.9% |
| 4 Person Household | 12.7% |
| 5 Person Household | 7.3% |
| 6 Person Household | 3.3% |
| 7 + Person Household | 2.5% |
| 2010 Households by Tenure and Mortgage Status | |
| Total | 28,692 |
| Owner Occupied | 62.0% |
| Owned with a Mortgage/Loan | 45.3% |
| Owned Free and Clear | 16.7% |
| Renter Occupied | 38.0% |
| 2020 Affordability, Mortgage and Wealth | |
| Housing Affordability Index | 222 |
| Percent of Income for Mortgage | 10.3% |
| Wealth Index | 64 |
| 2010 Housing Units By Urban/ Rural Status | |
| Total Housing Units | 32,900 |
| Housing Units Inside Urbanized Area | 97.6% |
| Housing Units Inside Urbanized Cluster | 0.0% |
| Rural Housing Units | 2.4% |
| 2010 Population By Urban/ Rural Status | |
| Total Population | 76,799 |
| Population Inside Urbanized Area | 97.4% |
| Population Inside Urbanized Cluster | 0.0% |
| Rural Population | 2.6% |

Data Note: Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

Appendix B7: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| Top 3 Tapestry Segments | | |
|---|--|--------------------------|
| 1. | | Hardscrabble Road (8G) |
| 2. | | Traditional Living (12B) |
| 3. | | Midlife Constants (5E) |
| 2020 Consumer Spending | | |
| Apparel & Services: Total \$ | | \$47,532,583 |
| Average Spent | | \$1,618.57 |
| Spending Potential Index | | 75 |
| Education: Total \$ | | \$35,998,767 |
| Average Spent | | \$1,225.82 |
| Spending Potential Index | | 69 |
| Entertainment/Recreation: Total \$ | | \$70,973,147 |
| Average Spent | | \$2,416.77 |
| Spending Potential Index | | 74 |
| Food at Home: Total \$ | | \$118,830,344 |
| Average Spent | | \$4,046.39 |
| Spending Potential Index | | 76 |
| Food Away from Home: Total \$ | | \$82,841,714 |
| Average Spent | | \$2,820.91 |
| Spending Potential Index | | 75 |
| Health Care: Total \$ | | \$129,922,556 |
| Average Spent | | \$4,424.10 |
| Spending Potential Index | | 77 |
| HH Furnishings & Equipment: Total \$ | | \$48,301,963 |
| Average Spent | | \$1,644.77 |
| Spending Potential Index | | 75 |
| Personal Care Products & Services: Total \$ | | \$20,525,369 |
| Average Spent | | \$698.93 |
| Spending Potential Index | | 76 |
| Shelter: Total \$ | | \$409,387,505 |
| Average Spent | | \$13,940.39 |
| Spending Potential Index | | 72 |
| Support Payments/Cash Contributions/Gifts in Kind: Total \$ | | \$50,552,041 |
| Average Spent | | \$1,721.39 |
| Spending Potential Index | | 74 |
| Travel: Total \$ | | \$49,339,564 |
| Average Spent | | \$1,680.10 |
| Spending Potential Index | | 70 |
| Vehicle Maintenance & Repairs: Total \$ | | \$26,339,854 |
| Average Spent | | \$896.92 |
| Spending Potential Index | | 77 |

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Consumer Spending data are derived from the 2017 and 2018 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025 Esri converted Census 2000 data into 2010 geography.

Appendix C1: Primary Trade Area Housing Profile

Gibbs Planning Group

Housing Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| Population | | Households | |
|-----------------------|--------|------------------------------|----------|
| 2010 Total Population | 76,799 | 2020 Median Household Income | \$50,772 |
| 2020 Total Population | 78,458 | 2025 Median Household Income | \$52,691 |
| 2025 Total Population | 79,842 | 2020-2025 Annual Rate | 0.74% |
| 2020-2025 Annual Rate | 0.35% | | |

| Housing Units by Occupancy Status and Tenure | Census 2010 | | 2020 | | 2025 | |
|--|-------------|---------|--------|---------|--------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Total Housing Units | 32,900 | 100.0% | 33,699 | 100.0% | 34,453 | 100.0% |
| Occupied | 28,692 | 87.2% | 29,367 | 87.1% | 30,003 | 87.1% |
| Owner | 17,790 | 54.1% | 17,770 | 52.7% | 17,918 | 52.0% |
| Renter | 10,902 | 33.1% | 11,597 | 34.4% | 12,085 | 35.1% |
| Vacant | 4,208 | 12.8% | 4,332 | 12.9% | 4,450 | 12.9% |

| Owner Occupied Housing Units by Value | 2020 | | 2025 | |
|---------------------------------------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent |
| Total | 17,770 | 100.0% | 17,918 | 100.0% |
| <\$50,000 | 1,582 | 8.9% | 1,255 | 7.0% |
| \$50,000-\$99,999 | 4,915 | 27.7% | 4,067 | 22.7% |
| \$100,000-\$149,999 | 4,750 | 26.7% | 4,305 | 24.0% |
| \$150,000-\$199,999 | 2,960 | 16.7% | 3,388 | 18.9% |
| \$200,000-\$249,999 | 1,289 | 7.3% | 1,595 | 8.9% |
| \$250,000-\$299,999 | 755 | 4.2% | 948 | 5.3% |
| \$300,000-\$399,999 | 741 | 4.2% | 1,067 | 6.0% |
| \$400,000-\$499,999 | 211 | 1.2% | 353 | 2.0% |
| \$500,000-\$749,999 | 374 | 2.1% | 620 | 3.5% |
| \$750,000-\$999,999 | 137 | 0.8% | 231 | 1.3% |
| \$1,000,000-\$1,499,999 | 15 | 0.1% | 25 | 0.1% |
| \$1,500,000-\$1,999,999 | 6 | 0.0% | 11 | 0.1% |
| \$2,000,000+ | 35 | 0.2% | 53 | 0.3% |
| Median Value | \$125,137 | | \$142,242 | |
| Average Value | \$159,454 | | \$188,563 | |

| Census 2010 Housing Units | Number | Percent |
|---------------------------|--------|---------|
| Total | 32,900 | 100.0% |
| In Urbanized Areas | 32,109 | 97.6% |
| In Urban Clusters | 0 | 0.0% |
| Rural Housing Units | 791 | 2.4% |

Data Note: Persons of Hispanic Origin may be of any race.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025.

Appendix C2: Primary Trade Area Housing Profile

Gibbs Planning Group

Housing Profile

Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

| Census 2010 Owner Occupied Housing Units by Mortgage Status | | | Number | Percent |
|--|----------------|--------|---------------|----------------------|
| Total | | | 17,790 | 100.0% |
| Owned with a Mortgage/Loan | | | 13,009 | 73.1% |
| Owned Free and Clear | | | 4,781 | 26.9% |
| Census 2010 Vacant Housing Units by Status | | | Number | Percent |
| Total | | | 4,135 | 100.0% |
| For Rent | | | 1,927 | 46.6% |
| Rented- Not Occupied | | | 37 | 0.9% |
| For Sale Only | | | 589 | 14.2% |
| Sold - Not Occupied | | | 122 | 3.0% |
| Seasonal/Recreational/Occasional Use | | | 177 | 4.3% |
| For Migrant Workers | | | 0 | 0.0% |
| Other Vacant | | | 1,283 | 31.0% |
| Census 2010 Occupied Housing Units by Age of Householder and Home Ownership | | | | Owner Occupied Units |
| | Occupied Units | Number | % of Occupied | |
| Total | 28,692 | 17,790 | 62.0% | |
| 15-24 | 1,536 | 284 | 18.5% | |
| 25-34 | 4,803 | 2,040 | 42.5% | |
| 35-44 | 5,426 | 3,183 | 58.7% | |
| 45-54 | 5,841 | 3,855 | 66.0% | |
| 55-64 | 5,134 | 3,829 | 74.6% | |
| 65-74 | 3,092 | 2,460 | 79.6% | |
| 75-84 | 1,987 | 1,574 | 79.2% | |
| 85+ | 873 | 565 | 64.7% | |
| Census 2010 Occupied Housing Units by Race/Ethnicity of Householder and Home Ownership | | | | Owner Occupied Units |
| | Occupied Units | Number | % of Occupied | |
| Total | 28,690 | 17,789 | 62.0% | |
| White Alone | 22,878 | 15,555 | 68.0% | |
| Black/African American | 3,200 | 1,036 | 32.4% | |
| American Indian/Alaska | 121 | 54 | 44.6% | |
| Asian Alone | 216 | 137 | 63.4% | |
| Pacific Islander Alone | 12 | 6 | 50.0% | |
| Other Race Alone | 1,801 | 813 | 45.1% | |
| Two or More Races | 462 | 188 | 40.7% | |
| Hispanic Origin | 3,122 | 1,448 | 46.4% | |
| Census 2010 Occupied Housing Units by Size and Home Ownership | | | | Owner Occupied Units |
| | Occupied Units | Number | % of Occupied | |
| Total | 28,692 | 17,790 | 62.0% | |
| 1-Person | 7,673 | 3,951 | 51.5% | |
| 2-Person | 9,061 | 6,468 | 71.4% | |
| 3-Person | 4,556 | 2,793 | 61.3% | |
| 4-Person | 3,640 | 2,270 | 62.4% | |
| 5-Person | 2,096 | 1,291 | 61.6% | |
| 6-Person | 953 | 590 | 61.9% | |
| 7+ Person | 713 | 427 | 59.9% | |
| 2020 Housing Affordability | | | | |
| Housing Affordability Index | | 222 | | |
| Percent of Income for | | 10.3% | | |

Data Note: Persons of Hispanic Origin may be of any race.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2020 and 2025.

Appendix D1: Primary Trade Area Dominant Tapestry Descriptions

Gibbs Planning Group

Tapestry Segmentation Area Profile

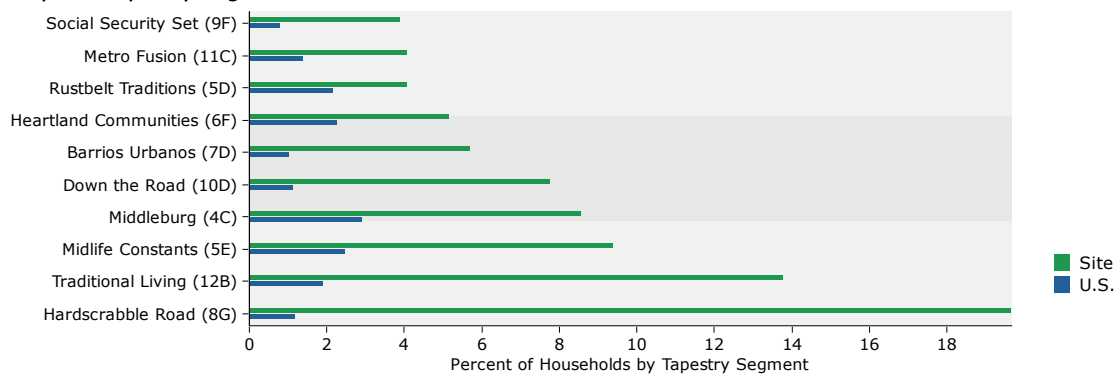
Downtown Elkhart PTA
Area: 55.52 square miles

Prepared by Esri

Top Twenty Tapestry Segments

| Rank | Tapestry Segment | 2020 Households Cumulative | | 2020 U.S. Households Cumulative | | Index |
|----------|--------------------------------|----------------------------|---------|---------------------------------|---------|-------|
| | | Percent | Percent | Percent | Percent | |
| 1 | Hardscrabble Road (8G) | 19.7% | 19.7% | 1.2% | 1.2% | 1649 |
| 2 | Traditional Living (12B) | 13.8% | 33.5% | 1.9% | 3.1% | 724 |
| 3 | Midlife Constants (5E) | 9.4% | 42.9% | 2.5% | 5.6% | 381 |
| 4 | Middleburg (4C) | 8.6% | 51.5% | 2.9% | 8.5% | 292 |
| 5 | Down the Road (10D) | 7.8% | 59.3% | 1.2% | 9.7% | 671 |
| Subtotal | | 59.3% | | 9.7% | | |
| 6 | Barrios Urbanos (7D) | 5.7% | 65.0% | 1.0% | 10.7% | 551 |
| 7 | Heartland Communities (6F) | 5.2% | 70.2% | 2.3% | 13.0% | 227 |
| 8 | Rustbelt Traditions (5D) | 4.1% | 74.2% | 2.2% | 15.2% | 187 |
| 9 | Metro Fusion (11C) | 4.1% | 78.3% | 1.4% | 16.6% | 291 |
| 10 | Social Security Set (9F) | 3.9% | 82.2% | 0.8% | 17.4% | 484 |
| Subtotal | | 23.0% | | 7.7% | | |
| 11 | Salt of the Earth (6B) | 3.4% | 85.6% | 2.9% | 20.3% | 118 |
| 12 | Green Acres (6A) | 3.3% | 88.9% | 3.2% | 23.5% | 102 |
| 13 | Set to Impress (11D) | 3.0% | 91.9% | 1.4% | 24.9% | 217 |
| 14 | Front Porches (8E) | 2.0% | 93.9% | 1.6% | 26.5% | 126 |
| 15 | Southern Satellites (10A) | 1.6% | 95.5% | 3.2% | 29.7% | 50 |
| Subtotal | | 13.3% | | 12.3% | | |
| 16 | Comfortable Empty Nesters (5A) | 1.4% | 96.9% | 2.4% | 32.1% | 58 |
| 17 | Savvy Suburbanites (1D) | 1.2% | 98.1% | 3.0% | 35.1% | 39 |
| 18 | NeWest Residents (13C) | 1.1% | 99.2% | 0.8% | 35.9% | 147 |
| 19 | City Commons (11E) | 0.8% | 100.0% | 0.9% | 36.8% | 94 |
| Subtotal | | 4.5% | | 7.1% | | |
| Total | | 100.0% | | 36.7% | | 273 |

Top Ten Tapestry Segments Site vs. U.S.



Data Note: This report identifies neighborhood segments in the area, and describes the socioeconomic quality of the immediate neighborhood. The index is a comparison of the percent of households or Total Population 18+ in the area, by Tapestry segment, to the percent of households or Total Population 18+ in the United States, by segment. An index of 100 is the US average.
Source: Esri

Appendix D2: Primary Trade Area Dominant Tapestry Descriptions



WHO ARE WE?

Hardscrabble Road neighborhoods are in urbanized areas within central cities, with older housing, located chiefly in the Midwest and South. This slightly smaller market is primarily a family market, married couples (with and without children) and single parents. Younger, highly diverse (with higher proportions of black, multiracial, and Hispanic populations), and less educated, they work mainly in service, manufacturing, and retail trade industries. Unemployment is high (almost twice the US rate), and median household income is half the US median. Almost 1 in 3 households have income below the poverty level. 60% of householders are renters, living primarily in single-family homes, with a higher proportion of dwellings in 2-4 unit buildings. This market is struggling to get by.

OUR NEIGHBORHOOD

- Renters: About three-fifths of households.
- Primarily family households, married couples with or without children, single parents (Index 203), and multigenerational households (Index 137).
- Primarily single-family homes (61%), with a higher proportion of dwellings in 2-4 unit buildings (Index 225).
- Older housing, built before 1960 (59%), with a higher proportion built in the 1940s (Index 215) or earlier (Index 257).
- Almost four-fifths of owned homes valued under \$100,000 (more than 3.5 times the US).
- Higher percentage of vacant housing units at 18% (Index 155).
- Most households with 1 or 2 vehicles (71%), but 19% have no vehicle (Index 204).

SOCIOECONOMIC TRAITS

- Education completed: 38% with a high school diploma only (Index 137); 28% with some college or an associate's degree (Index 97).
- Unemployment rate is higher at 11.2%, almost twice the US rate.
- Labor force participation rate is lower at 57.1%.
- Wages and salaries are the primary source of income for 70% of households, with contributions from Supplemental Security Income for 12% (Index 232) and public assistance for 7% (Index 254).
- These cost-conscious consumers purchase sale items in bulk and buy generic over name brands.
- They tend to save money for a specific purpose.



Note: The index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by CSM KMR.